



MECHANICAL CONTRACTORS U.A. LOCAL 119 PENSION PLAN

SUMMARY PLAN DESCRIPTION

RESTATED JANUARY 1, 2018

MECHANICAL CONTRACTORS U.A. LOCAL 119 PENSION PLAN

MESSAGE FROM THE BOARD OF TRUSTEES

One of the most important long-range goals for you and your family is to prepare for your financial security during retirement. The Mechanical Contractors U.A. Local 119 Pension Plan was established to help you with this goal.

The Pension Plan was established for employees covered by a collective bargaining agreement between employers and Local No. 119 of the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada. The Pension Plan as restated January 1, 2014 is a continuation of the Plan established January 15, 1965. This booklet reflects the Plan provisions as of January 1, 2018 for Participants who retire on or after that date. If you retired or terminated service prior to January 1, 2018, some of the eligibility and benefit provisions may be different.

The Mechanical Contractors U.A. Local 119 Pension Plan is a “defined benefit pension plan” which provides retirement benefits to employees who work for employers that contribute to the Pension Fund. The Plan is paid for by employers who make Contributions on behalf of their employees, based on a negotiated contribution rate for each hour worked. Work outside the Jurisdiction of Local 119 may have contributions paid to the Plan through the national reciprocal agreement. Qualification for a benefit and the amount of the benefit is calculated based on a formula that takes into consideration years of employment, hours worked, age at retirement, and the type of retirement option selected. Benefits may also be provided for disability and death.

Effective July 1, 2001, the Plan was amended to add a 414(k) Individual Account. The 414(k) benefit of the Pension Plan credits contributions and reciprocal contributions in excess of the defined benefit allocation, as established by the Trustees, to be paid into the participant’s 414(k) Individual Account.

Contributions made to the Plan on your behalf are tax exempt. Your benefit will not be taxed until you retire and begin receiving your pension or make a withdrawal from your 414(k) account. No amendment may be made that will reduce your vested benefit under this Plan or divert Plan funds to any use other than for the exclusive benefit of you and your beneficiaries. We urge you to read this booklet carefully and put it in a place for safekeeping.

ABOUT THIS SUMMARY PLAN DESCRIPTION

This Summary Plan Description (SPD) booklet has been prepared in an easy-to-read format summarizing the benefits, rights and obligations you have under the Plan. The eligibility rules, provisions and benefits described are those in effect as of the Plan Year beginning January 1, 2018. Certain words and terms have a specific meaning in relation to the Plan and are capitalized when used in this SPD. You will find these terms explained in the Definitions section or defined within the text of this document. It is important to remember that this booklet is only a summary. Copies of the Pension Plan Document and Trust Agreement are available from the Trustees. The provisions of the Plan described in this SPD supersede those described in booklets previously printed and distributed to you. In the event of a conflict between this SPD and the Pension Plan Document, the Trustees have the authority to interpret the Plan and resolve conflicts. The Board of Trustees, as Plan Administrator, reserves the right to amend or terminate the Plan, to interpret provisions, and make determinations on all matters.

NO RELIANCE ON REPRESENTATION

Eligibility and benefits are determined solely on the basis of the Plan documents, applicable rules and procedures of the Plan and determinations by the Trustees. All determinations of eligibility and benefits are based on the specific facts of any particular circumstances, including the data on hand with the Trustees such as employment and contribution history. No representation, confirmation, description or explanation of eligibility or benefits given by any person is binding upon the Trustees.

CONTACT INFORMATION – Trustees, MC-UA Local 119 Pension Plan, c/o Plan Manager –

Alabama Administrators
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IT IS IMPORTANT THAT YOU NOTIFY THE PLAN MANAGER WHEN:

- You have a change of address or telephone number.
- You are considering retirement.
- You retire and continue working or return to work.
- You are called to or return from military service.
- You get married, separated or divorced.
- You desire to change your beneficiary.
- You find a discrepancy in your annual pension statement.

Always keep your contact information current and especially your address. The Plan will send you an annual pension record and an invitation to retire when you reach Normal Retirement.

Terminated Vested Participants should especially keep in contact with the Plan.

Contact the Plan Manager at least 60 days in advance of your retirement. The Plan Manager will prepare your record and send it to you including your annuity options. Then, after you have reviewed the record call the Plan Manager and make an appointment for a retirement meeting or simply send the forms back to the Plan Manager with other required information and your retirement will be processed.

PARTICIPATION IN THE PLAN

You will become a Participant in this Plan as of the beginning of the Plan Year in which you work at least 435 Hours of Service. As long as you remain a Participant, all Hours of Service will accrue toward eligibility for benefits under the Plan. [1.17]

HOURS OF SERVICE

Hours of Service are hours you work in Covered Service for which you are entitled to be paid. Hours of Service may include paid vacation, holidays, illness, back pay, and periods during which you are on an approved leave of absence, if you are entitled to be paid at these times. [1.13]

An Employer signatory to the Collective Bargaining Agreement or other written agreement with Local 119 is required to make Contributions to this Plan on your behalf for all your Hours of Service. When you work for an Employer who pays Contributions on your behalf, you are working in Covered Service.

CLASSIFICATION EXCEPTIONS

The Collective Bargaining Agreement does not require Employers to pay Contributions for work performed by first year apprentices. No vesting or benefit accrual is credited under the defined benefit Plan for work performed during this first year.

The U.A. Gulf Coast District Council and Serimax collective bargaining agreement provides only a contribution to the 414(k) account for the class Metal Trades Tradesman. No vesting or benefit accrual is credited under the defined benefit Plan for work performed by a Metal Trades Tradesman.

UNREPORTED HOURS

In the case of a member who believes there is a discrepancy in the hours reported, the member may provide proof of Hours of Service by submitting pay stubs from the Employer within 12 months of the month in which the hours are worked. Original pay stubs from an Employer are the only evidence accepted by the Plan to prove a claim of unreported hours. Original pay stubs must be legible and must include the name of the Employer and employee, pay period dates, hours for which the employee was entitled to be paid, and the pay rate. [7.08(A)]

No adjustment to the Participant's record of hours will be made after 12 months from the date the hours were earned.

NON-BARGAINING PARTICIPANTS

Certain full-time employees of Employers, who are not represented by the Collective Bargaining Agreement, may participate in this Plan. The terms and conditions of their participation are set forth in a separate written agreement titled "Non-Bargaining Employees Participation Agreement." [1.16]

NEW EMPLOYERS

No hours are credited for work you performed for an employer prior to your employer becoming signatory to the Collective Bargaining Agreement or other written agreement with Local 119. Only after your employer signs the Collective Bargaining Agreement or other written agreement with Local 119 do you begin to work in Covered Service. [2.02(B)]

WORK IN ANOTHER JURISDICTION – RECIPROCITY

When you work outside the Jurisdiction of Local 119 and you want this Plan to be your "Home Fund," you must register with the United Association Reciprocity System (UARS) and sign a **reciprocal** authorization to ensure that your hours and contributions are transferred to this Plan. If you fail to name the Mechanical Contractors U.A. Local 119 Pension Plan as your Home Fund, the pension plan in that jurisdiction is under no obligation to transfer your hours or contributions to this Plan. [7.08(A)]

The reciprocal plan will transfer the contribution rate received from the employer in their jurisdiction. This Plan will record your hours worked, as reported by the reciprocal plan, regardless of the contribution rate received. [7.08(B)] Please refer to the section titled 414(k) Individual Account for information on excess contributions. [8.01]

It is not the responsibility of Local 119, the Trustees or the Plan Manager to obtain your reciprocal hours. It is your responsibility to authorize and verify transfer of your hours worked. Reciprocal hours will be credited to your pension record only when contributions for these hours are paid and received by this Plan. Reciprocal contributions must be received by this Plan within twelve (12) months of the month in which you worked in another jurisdiction. Late reciprocal contributions will be returned to the reciprocating pension plan and hours will not be credited to your record. [7.08(A)]

The Plan assists you in tracking hours recorded by providing an individual pension record annually, listing hours by month and by employer or reciprocating plan.

VESTING

The Plan is designed to provide maximum benefits to those who work a significant number of years. The longer you work in Covered Service, the greater your pension benefit. However, you must work a minimum number of years in Covered Service, and earn a minimum number of Hours of Service, to be “vested” in the Plan. You must be vested in the Plan to receive a pension benefit. A Participant’s Vesting Service is the sum of Past Vesting Service plus Future Vesting Service. [2.01]

It is important that you understand how to earn service and vest your retirement benefit. This is the most important responsibility you have as a Plan Participant.

PAST VESTING SERVICE

Past Vesting Service applies to an employee who was covered under the Plan on January 15, 1965. When the Plan was initiated, employees were granted past credited service for work performed prior to the adoption of the Plan. [2.01(A)]

FUTURE VESTING SERVICE

Future Vesting Service is granted at the rate of one year of Future Vesting Service for each Plan Year in which a Participant works at least 870 Hours of Service. A Participant who works at least 435 Hours of Service but less than 870 Hours of Service in a Plan Year will be granted one-half year of Future Vesting Service. [2.01(B)]

Credits given for qualified military service also count toward Future Vesting Service. Please refer to the section on federal laws for additional information on credits for periods of qualified military service. [2.01(C)]

NEW ENTRANTS

If you earn less than 870 Hours of Service in your first Plan Year of Covered Service, but more than 1,000 Hours of Service in the Plan Year that immediately follows your first Plan Year, any Hours of Service in excess of 1,000 will be used to increase the number of hours in the first Plan Year, possibly providing an additional one-half year or one year of Future Vesting Service. [2.01(B)]

FIVE YEAR VESTING

A Participant who earns at least five years of Vesting Service and works at least one hour after December 31, 1997 is 100% vested in the Plan. A Participant with five years of Vesting Service will be eligible for Normal Retirement at age **65** years. [2.03(B)(2)]

TEN YEAR VESTING

A Participant who earns a minimum of ten years of Vesting Service is 100% vested in the Plan. A Participant with ten years of Vesting Service will be eligible for Normal Retirement at age **62** years (age 65 if Termination or Retirement is prior to January 1, 1985). [2.03(B)(1)] & [3.01(A)]

ANNIVERSARY VESTING

Anniversary vesting is provided as a benefit to employees who entered the workforce at an older age. It occurs on the **later** of either:

- 1) The date a Participant attains age 65; or
- 2) The fifth anniversary of the date a Participant commenced employment in Covered Service.

A Participant cannot qualify for anniversary vesting if the Participant incurs a Termination of Participation prior to completing the requirements. [3.01(A)(1)(b)]

EARLY RETIREMENT VESTING

A Participant who earns a minimum of 15 years of service will be eligible for Early Retirement starting at age 55 years. [3.02]

TERMINATION OF PARTICIPATION

A Termination of Participation (Termination) occurs when you incur two (2) consecutive Plan Years with less than 435 Hours of Service earned in each Plan Year. A Plan Year in which you work less than 435 hours results in a One-Year Break-in-Service.

The effect of Termination of Participation depends on the vested status of the Participant.

ONE-YEAR BREAK-IN-SERVICE

A One-Year Break-in-Service occurs when you work less than 435 Hours of Service in a Plan Year. [1.15]

EXCEPTIONS TO A ONE-YEAR BREAK-IN-SERVICE

A One-Year Break-in-Service may be deemed not to have occurred if a Participant's absence from work is attributable to any of the following:

- 1) Total and Permanent Disability;
- 2) A period of qualified military service (see section on USERRA);
- 3) Leave of absence approved by your employer as FMLA leave (see section on FMLA);
- 4) An authorized strike or lock-out;
- 5) Employment temporarily for an Employer in a position that does not require Contributions;
- 6) A leave of absence authorized by the Trustees: to perform service for the Union, a temporary reduction in the work force, educational leave, or because of illness, injury, or other cause.

Under all exceptions, the Participant is required to notify the Trustees of absence from work due to a permitted reason, in writing, preferably in advance of the absence, but absolutely during the Plan Year in which the absence takes place. [1.15]

An approved absence results in a credit of eight hours per workday for the duration of the absence, which may prevent a One-Year Break-in-Service, but benefit credits and vesting service are not earned during the absence, except for absence due to qualified military service under USERRA. [1.22]

TWO CONSECUTIVE ONE-YEAR BREAKS-IN-SERVICE

A One-Year Break-in-Service has no effect on Participation, provided the Participant works at least 435 Hours of Service in the next Plan Year following the One-Year Break-in-Service. In this case, the employee remains an Active Participant in the Plan.

Two consecutive One-Year Breaks-in-Service result in a Termination of Participation effective the last day of the second Plan Year in which there is a One-Year Break-in-Service. Eligibility for some benefits is affected by a Termination. [1.17(A)]

EFFECT OF TERMINATION ON VESTED PARTICIPANT

A Vested Participant who incurs a Termination of Participation is a Separated or Terminated Vested Participant. The value of the pension benefit is fixed at that point in time, as of the last day of the Plan Year in which the individual became a Terminated Vested Participant. [2.05(B)]

A Terminated Vested Participant forfeits eligibility for Temporary Disability Income when the Termination date is prior to the Social Security disability date. [3.04(1)] A Terminated Participant does not qualify for the non-spousal lump-sum Pre-Retirement Death Benefit.

EFFECT OF TERMINATION ON NON-VESTED PARTICIPANT

A non-vested Participant who incurs a Termination of Participation is no longer a Participant and forfeits eligibility for the Pre-Retirement Death Benefit and cannot qualify for Anniversary Vesting.

A non-vested Participant who incurs a Termination of Participation will immediately again be considered a Participant upon completion of a Plan Year in which 435 Hours of Service are earned. The pension record will be restored, as if there had been no Termination of Participation, unless there is a Full Break-in-Service. [1.17(C)]

FULL BREAK-IN-SERVICE

A non-vested Participant will incur a Full Break-in-Service if the number of consecutive One-Year Breaks-in-Service equals the greater of:

- 1) Five consecutive One-Year Breaks-in-Service; or,
- 2) Consecutive One-Year Breaks-in-Service equal to the number of prior years of Vesting Service.

The non-vested Participant loses credit for all prior years of Vesting Service and forfeits all rights to all benefits and Participant status as a result of a Full Break-in-Service.

Service and benefit credits forfeited due to a Full Break-In-Service cannot be restored. [2.3(B)]

PENSION BENEFIT VALUE

Up to this point, the Summary Plan Description has dealt with participation and vesting, because you must be a Vested Participant to receive a pension benefit. This section addresses how your Hours of Service enhance the value of your pension benefit.

BENEFIT UNIT & VALUES

Hours of Service are converted to Benefit Units. Benefit Units are determined by dividing the total number of hours earned by 100 (*2,000 hours earned in a Plan Year equals 20 Benefit Units*).

All hours in a benefit period are aggregated for the calculation of total Benefit Units; final calculation includes only whole Benefit Units (100 hours). ^[2.05(A)(8)]

The most recent values for a Benefit Unit are shown in the table. Prior to January 1, 1994, the Pension Plan used a different method to value service. ^[2.05]

Hours of Service Earned	Benefit Unit Value
1/1/2010 to Current	\$3.00
1/1/1994 to 1/1/2010	\$5.00

The value of a Benefit Unit decreased from \$5 to \$3 for hours worked on and after January 1, 2010. The decrease in the Benefit Unit value only affects hours worked on and after January 1, 2010 and does not affect the accrued pension value prior to that date. The decrease was due to the Pension Protection Act and a lower than expected return on investments.

CALCULATING YOUR PENSION BENEFIT

The following states the benefit accrual method going back to the start of the Plan. ^[2.05(A)]

- 1) Years of Past Vesting Service multiplied by \$1.25; plus
- 2) \$475.00 for 20,000 Hours of Service earned from January 15, 1965 through December 31, 1981, plus or minus \$4.00 for each 250 Hours of Service earned over or under the "base pension" of 20,000 Hours of Service; plus

- 3) Hours of Service earned from January 1, 1982 through December 31, 1984, divided by 250 and multiplied by \$6.50; plus
- 4) Hours of Service earned from January 1, 1985 through December 31, 1989, divided by 250 and multiplied by \$8.00; plus
- 5) Hours of Service earned from January 1, 1990 through December 31, 1993, divided by 100 and multiplied by \$3.20; plus
- 6) Hours of Service earned from January 1, 1994 through December 31, 2009, divided by 100 and multiplied by \$5.00 (only whole Benefit Units of 100 Hours of Service are counted effective January 1, 1998); plus
- 7) Hours of Service earned after January 1, 2010, divided by 100 and multiplied by \$3.00

Terminated Vested Participants have their hours divided and multiplied by the Benefit Unit value based on the date of Termination of Participation.

Sample Pension Calculation	
One Year of Past Vesting Service	+ 1.25
Hours of Service 1/1/1966-12/31/1981 = 32,300	
20,000 hours	+ 475.00
12,300 hours over the "base pension" of 20,000 equals \$4.00 for each 250 hours <small>(12,300/250=50)</small>	
50 Benefit Units x \$4.00	+ 200.00
Hours of Service 1/1/1982-12/31/1984 = 5,400	
22 Benefit Units x \$6.50 <small>(5,400/250=22)</small>	+ 143.00
Hours of Service 1/1/1985-12/31/1989 = 9,000	
36 Benefit Units x \$8.00 <small>(9,000/250=36)</small>	+ 288.00
Hours of Service 1/1/1990-12/31/1993 = 7,200	
72 Benefit Units x \$3.20 <small>(7,200/100=72)</small>	+ 230.40
Hours of Service 1/1/1994-12/31/2009 = 28,800	
288 Benefit Units x \$5.00 <small>(28,800/100=288)</small>	+ 1,440.00
Hours of Service 1/1/2010-12/31/2012 = 5,400	
54 Benefit Units x \$3.00 <small>(5,400/100=54)</small>	+ 162.00
Total Monthly Pension Benefit	\$ 2,939.65

ANNUAL PENSION STATEMENT

Following completion of the auditor's financial report and the actuary's valuation each year, or when requested, the Plan sends each Participant an individual pension record. This record shows your vested status, Hours of Service earned for each Plan Year since you became a Participant and the accrued value of your monthly pension benefit.

The annual pension statement is a valuable tool in your financial planning. Check the accuracy of your statement annually and contact the Plan Manager immediately if you find a discrepancy.

Original pay stubs from an Employer are the only evidence accepted by the Plan to prove a claim of unreported hours. Hours will not be credited unless acceptable evidence is submitted within 12 months of the month in which you worked.

RETIREMENT OPTIONS

The Plan offers three Retirement Options: Normal, Early and Late. The option selected determines when the Participant is eligible to retire and begin receiving payments and the amount of the monthly benefit. Qualification for a retirement option is based on the Participant's age and number of years of Vesting Service.

NORMAL RETIREMENT

Your Normal Retirement date is the first of the month following the month in which you reach your Normal Retirement Age. You are entitled to receive your total monthly pension value adjusted for the Annuity Option you select. ^[3.01]

A Participant's Normal Retirement Age:

- 1) Age **62** years with ten years of Vesting Service and a Termination or Retirement date after January 1, 1985;
- 2) Age **65** with ten years of Vesting Service and a Termination or Retirement date before January 1, 1985;
- 3) Age **65** with five years of Vesting Service and one hour worked after December 31, 1997;
- 4) Age **65** and the fifth anniversary of participation in Covered Service prior to a Termination.

EARLY RETIREMENT REQUIRES YOU STOP WORKING

Early Retirement requires the Employee to stop working (*Severance from Employment*) in the trade and in the Jurisdiction of Local 119, to qualify for Early Retirement. The Employee must have a Severance of Employment or no hours worked during the 30 day period from the start of Early Retirement. ^[Amendment 4]

EARLY RETIREMENT

Early Retirement is voluntary. You may retire as early as the first of the month following the date you have earned 15 years of Vesting Service and reached age 55. Your Normal Retirement benefit is reduced for Early Retirement to account for the fact that you are receiving your pension earlier and will receive it for a longer period of time. The reduction is the Actuarial Equivalent of the Normal Retirement benefit based on your age at Early Retirement. ^[3.02]

Your Early Retirement date is the first of the month following the month in which your application is approved by the Board of Trustees. The Plan does not allow a retroactive early retirement date. ^[5.01(B)(2)(a)]

You must have a retirement or Termination on or after January 1, 1997 to qualify for an unreduced Early Retirement benefit at age **61**.

The Early Retirement factors for retirements and Terminations on and after March 1, 2009 are:

Early Retirement Adjustment Factors		
Retirement Age		Benefit Amount
Earliest Retirement	55	50.57%
	56	55.46%
	57	60.91%
	58	67.01%
	59	73.85%
Unreduced Early	60	81.54%
	61	100.0%
	62	100.0%
Normal Retirement	62	100.0%

The start date for Early Retirement is the first day of the month following the date of application approval. The Plan does not allow a retroactive Early Retirement. Early Retirement requires that the Employee stop working in the trade and Jurisdiction of Local 119 during the 30 day period starting with the Early Retirement date.

LATE RETIREMENT

A Vested Participant may, upon qualifying for Normal Retirement, elect to postpone retirement. You may retire effective the first day of any month after your Normal Retirement date and this date will be known as your Late Retirement date. [3.03]

If you are not employed in Covered Service, you must notify the Trustees, in writing, of your desire to postpone your Normal Retirement and you must notify the Trustees in writing of the date on which you expect to begin receiving your Late Retirement.

Failure to notify the Trustees of a deferred retirement date will require that your benefits start no later than March 1st of the Plan Year after attainment of your Normal Retirement age unless you are continuing in Covered Service.

The value of a Late Retirement benefit is calculated to take into consideration the following:

- 1) The value of your Normal Retirement benefit;
- 2) An actuarial adjustment for each Plan Year after your Normal Retirement date during which you were not receiving the benefit to which you were entitled; and,
- 3) The excess of additional benefits earned through Hours of Service over the actuarial adjustment. [3.03(B)(1)]

You may not elect to postpone your retirement benefit past the Required Beginning Date, which is April 1st of the calendar year following the calendar year in which you have reached age **70½** years.

REQUIRED BEGINNING DATE

Internal Revenue regulations require that benefits be paid at the Required Beginning Date which is April 1st of the calendar year following age **70½** years.

BENEFIT START DATE

The benefit start date may be after the Participant's requested retirement date due to the time that it takes to process a retirement. It may take from 30 to 90 days to collect documents and hours (especially reciprocal hours) required to start your pension. The retiree's first check will be retroactive to include all monthly benefit payments during the interim. If a delay is due to the Plan's administrative process there will be an interest adjustment for late payment.

RETIREMENT DATE

Your Normal Retirement date is the first of the month following the month in which you reach your Normal Retirement age. However, if your birth date is the first day of the month, that is your Normal Retirement date. Your Early Retirement date is the first of the month following the month in which your application is filed and approved by the Board of Trustees.

ANNUITY OPTIONS

There are a number of Annuity Options available to you, which determine the amount of your monthly benefit and the amount and duration of continuation of your benefit after your death. Some annuity options are based on your age, the age of your beneficiary and the percentage of payments you choose to be continued to your beneficiary.

When you apply for retirement, the Plan Manager will provide the monthly pension amount for each Annuity Option so that you may consider which option is best for you and your spouse (if married). You will select the annuity option you desire at the time you complete the retirement application.

In all cases, the percentage of retirement benefits paid to you is based on your total accrued monthly pension value, adjusted first for the Retirement Option for which you are qualified and select (Early, Normal or Late), then for the Annuity Option you select and the Pop-Up feature.

The percentage of your pension value can also be reduced by a Qualified Domestic Relations Order if a court of competent jurisdiction allocates a portion of your benefit to an alternate payee and the Domestic Relations Order is accepted by the Trustees.

The selection or rejection of any optional form of Retirement Income will be final and binding upon the Participant and beneficiary on the date that the Participant's Retirement Income is first paid. [5.02(C)]

LIFE ANNUITY

The Life Annuity or the Normal Form of Payment is a monthly pension paid beginning on your retirement date and ending with the last monthly payment immediately preceding the date of your death. The Life Annuity is paid for your lifetime only; there is no death benefit. [1.14]

ANNUITY OPTIONS IF YOU ARE MARRIED

Under federal law, if you are married to an Eligible Spouse at the time you retire, your retirement benefit is payable in the form of a Joint & 50% Survivor Annuity, with your Eligible Spouse as your beneficiary. You and your spouse may elect, in writing, not to receive your retirement benefit in this form. Please refer to the sections titled “Waiving the Joint & 50% Survivor Annuity” and “Required Application Dates.” ^[5.02(B)]

JOINT & 50% SURVIVOR ANNUITY

If you are married to an Eligible Spouse, you will automatically receive your pension in the form of a Joint & 50% Survivor Annuity. A married Participant is not required to accept this option, but if you elect no other option, this is the method by which retirement payments will be paid as required by law.

The Joint & 50% Survivor Annuity will provide a reduced monthly benefit to you for your lifetime and, when you die, 50% of your monthly benefit amount will be paid to your surviving spouse for life. This method of payment will provide a smaller payment to you than the Life Annuity, as payments are made beyond your death if your spouse outlives you.

If you are not employed in Covered Service at the time you reach your Normal Retirement Age and you do not notify the Trustees of your desire to postpone your Normal Retirement, the Plan may automatically retire you no later than March 1st of the Plan Year following attainment of your Normal Retirement Age, and will automatically provide the Joint & 50% Survivor Annuity if you are married.

OTHER JOINT & SURVIVOR ANNUITY OPTIONS

There are other Annuity Options available. You may choose options that make your spouse, or another individual, the beneficiary to your retirement benefit. Under these options, reduced payments will be made to you for your life and then to your beneficiary for life. If you die before your beneficiary, monthly payments will continue to your beneficiary in an amount equal to 50%, 66²/₃%, 75% or 100% of your monthly benefit, whichever you choose.

The amount of reduction in your monthly pension depends on your age, the age of your contingent annuitant and the percentage of payments you choose to be continued to your beneficiary.

Your Eligible Spouse is required to waive her legal rights to any benefits before you may name another person as your designated beneficiary.

WAIVING THE JOINT & SURVIVOR ANNUITY

If you and your spouse elect not to have retirement benefits paid in the form of a Joint and Survivor Annuity, you must notify the Trustees, in writing, at least 30 days before the date on which you plan to retire but in no event earlier than 180 days prior to the date benefit payments are scheduled to begin.

You must sign a statement stipulating that you do not want your retirement benefit paid in this manner and your spouse must sign a waiver of the right to receive this benefit in a statement witnessed by a notary public or a Plan representative. If you have an Eligible Spouse and these statements are not signed, the benefit will automatically be paid in the form of a Joint & 50% Survivor Annuity. ^[5.02(B)(2)]

If you and your spouse waive the Joint and Survivor Annuity, you will be eligible to select any annuity option offered by the Plan including a Joint and Survivor Annuity with someone other than your spouse as your beneficiary.

LIFE ANNUITY PLUS PERIOD CERTAIN

Under this option, reduced payments will be made to you for your lifetime and are guaranteed payable for a minimum of 120 payments. If you die before 120 payments have been made, the remaining payments will be made to your beneficiary.

If your beneficiary dies before all of the guaranteed payments have been made, the remaining payments will be made to your beneficiary's beneficiary, unless you provided for a secondary beneficiary in your beneficiary designation. ^[5.03(A)]

DETERMINING YOUR BENEFIT PERCENTAGE

The table provides an estimate of the percentage of your pension value you will receive under the annuity options shown. Percentages have been rounded for illustration purposes. This may help determine which Annuity Option you prefer. Each option factor is determined using your age and the age of your spouse on the retirement date.

Following the table, you will find an example showing the percentage of a Participant's benefits based on different annuity selections. The percentages used in the example to calculate benefits are from the table, estimated for illustration purposes. The percentage of retirement benefits paid is based on your monthly pension value, adjusted first for the Retirement Option for which you are qualified and then for the Annuity Option you select.

ANNUITY OPTION SELECTION EXAMPLES							
Annuity Option Selected	Spouse Exact Age	Percentage of <u>Your</u> Benefit at <u>Your</u> Exact Age When Retirement Benefits Start					
		60	61	62	63	64	65
Life	n/a	100	100	100	100	100	100
120 Pay Plus Life	n/a	97	96	96	95	94	94
Joint & 50% Survivor	55	91	90	89	88	87	86
	56	91	90	89	88	87	86
	57	91	90	90	89	88	87
	58	92	91	90	89	88	87
	59	92	91	90	89	89	88
	60	92	92	91	90	89	88
	61	93	92	91	90	89	88
	62	93	92	91	91	90	89
	63	93	93	92	91	90	89
	64	94	93	92	91	91	90
65	94	93	93	92	91	90	

Find your age and spouse's age to determine percentage amount

Percentages have been rounded for illustration purposes.
The 66²/₃%, 75% and 100% options, and the Pop-Up option are not shown but may be obtained from the Plan Manager.

REQUIRED APPLICATION DATES

By federal law, you must apply for your retirement benefits, in writing, at least 30 days before the date on which you plan to retire but in no event earlier than 180 days prior to the date on which you expect to receive your first monthly benefit.

Your spouse's waiver of the right to a Joint & 50% Survivor Annuity is effective for no more than 180 days and no less than 30 days prior to the date your retirement benefit is to start. [5.2(A)(1)]

This is why you may not choose the Life Annuity or the 120 Payments Guaranteed Plus Life with a retroactive start date. Your Eligible Spouse cannot retroactively waive the right to a benefit.

You may apply for your retirement within 30 days of the date on which you expect your benefit to start in which case both you and your spouse must sign a waiver of your rights to consider your Annuity Options for a minimum of 30 days prior to the start of your retirement benefit.

EXAMPLE		
Dan is age 62 and qualifies for Normal Retirement. Dan's wife is age 60. The value of Dan's monthly pension benefit is \$1,450. Dan's benefit value is unreduced for Normal Retirement at age 62.		
If Dan's wife waives the right to the Survivor Annuity, Dan may select the Life Annuity or the 120 Payments Guaranteed Plus Life.		
Life Annuity: Monthly benefit amount 100%, \$1,450. Benefit payments stop at death.		
120 Payments Guaranteed Plus Life Annuity: Monthly benefit amount 96%, \$1,392. Payments are guaranteed for the first 120 months payable to the retiree or beneficiary.		
Joint & Survivor: Monthly benefits are paid based on the amount to be continued. The accrued monthly benefit of \$1,450 is adjusted accordingly. Payments start and continue for the retiree's life and then to the surviving beneficiary for life.		
Continuation Amount:	Retiree	Survivor
50% = 91%	\$1,319.50	\$ 659.75
66 ² / ₃ % = 88%	\$1,276.00	\$ 850.67
75% = 87%	\$1,261.50	\$ 946.13
100% = 83%	\$1,203.50	\$ 1,203.50
Joint & Survivor With Pop-Up: The pop-up option restores the accrued monthly pension amount if the beneficiary predeceases the retiree. In that case, the retiree will begin to receive \$1,450 (the value of the Life Annuity) on the first of the month following the beneficiary's death, and for life.		
Continuation Amount With Pop-Up:	Retiree	Survivor
50% = 90%	\$1,305.00	\$ 652.50
66 ² / ₃ % = 87%	\$1,261.50	\$ 841.00
75% = 86%	\$1,247.00	\$ 935.25
100% = 82%	\$1,189.00	\$ 1,189.00

POP-UP OF THE JOINT & SURVIVOR ANNUITY

The Pop-Up benefit restores the accrued monthly pension amount if the beneficiary predeceases the retiree. The Pop-Up was included for all retirements with the Joint & Survivor annuity option from January 1, 2003 through December 31, 2008. Retirements on and after January 1, 2009 require that you pay for the option which reduces your and your beneficiary's monthly amount. [5.03(A)]

PROVISIONS AFFECTING YOUR BENEFIT

SELECTION OF A BENEFICIARY

The selection or rejection of an annuity option is final and binding after the initial retirement benefit is paid. [5.02(C)(E)]

If you are not married at the time of retirement, or if your spouse waives the right to a benefit, you may select any Joint & Survivor Annuity, naming another individual to receive benefits after your death. In the case of the Joint & 75%, a non-spouse beneficiary may not be more than 19 years younger than you, and in the case of the Joint & 100%, a non-spouse beneficiary may not be more than 10 years younger.

If you select a Joint & Survivor Annuity, and your beneficiary dies before your initial retirement benefit is paid, the Joint & Survivor Annuity is automatically cancelled. Your pension benefit will be paid under the Life Annuity unless you select another Annuity Option prior to the first benefit payment.

If you are legally separated or have been abandoned by an Eligible Spouse and can provide proof of legal separation or abandonment, you are not required to select the Joint & 50% Survivor Annuity. [5.02(B)(2)(e)]

If you are receiving a benefit under a Joint & Survivor Annuity option and you and your spouse divorce, you may not change the annuity option selected or change the beneficiary, even if you remarry. In the case of divorce, at the time of your death your divorced spouse will receive the benefit to which she would have been entitled had you remained married, even if she has remarried.

If you selected the 120 Payments Guaranteed Plus Life Annuity option with your spouse as beneficiary, and you become divorced, you may not change the annuity option selected, but you may select a new beneficiary, provided a Qualified Domestic Relations Order has not been filed. You may also name a new beneficiary if your beneficiary predeceases you before all payments have been made.

RIGHTS OF DIVORCED SPOUSE

In the event of divorce, your former spouse may have the right to receive a portion of your retirement benefits directly from the Plan. [6.05(B)]

In connection with a divorce, property settlement or other legal action, a court may order that a portion of your retirement benefit be paid to an “alternate payee,” including your spouse, former spouse, child or legal dependent.

The Plan will recognize this court order and make direct payments to another individual only if the court order is a “Qualified Domestic Relations Order” (QDRO), as determined by the Trustees.

The Plan has a written procedure for notifying you of the receipt of such a court order and for determining if the court order is a QDRO. Refer to the section on federal laws for information on the procedure for determining a “Qualified Domestic Relations Order.”

If your former spouse is entitled through a QDRO to receive a portion of your retirement benefit, your former spouse may not receive payments from the Plan until the earliest time at which you would otherwise qualify for a benefit.

If you are eligible for Early Retirement, the payment of court-ordered benefits to the alternate payee may begin while you are still working.

The alternate payee may not select a Joint & Survivor Annuity naming a current spouse as beneficiary.

A DRO cannot be recognized by the Plan until you or your former spouse files it with the Trustees. It is very important that you or your former spouse file the Domestic Relations Order in a timely manner with the Trustees. When you retire you will be asked to submit any divorce decree in order to verify the existence of a former spouse’s rights. The DRO must be certified by the Trustees as meeting the criteria of a Qualified Domestic Relations Order to complete the process.

Beneficiary Designation & Divorce: The beneficiary designation of a spouse will automatically cancel upon divorce. The employee may name the ex-spouse as the designated beneficiary by completing a new beneficiary designation form and filing it with the Plan. Failure to fill out a new form will mean that any death benefit that may be payable shall be paid to the estate of such deceased employee. A divorce results in the ex-spouse beneficiary designation being void and of no effect. [5.02(D)(2)]

SUSPENSION AND RECALCULATION OF BENEFIT FOR A RETURN TO WORK

When you retire from the trade, you can work in other industries and continue to receive your retirement benefit. However, once you retire and begin to receive a retirement benefit from this Plan, your monthly benefit will be suspended if you return to work in Suspendible Employment. ^[5.05]

SUSPENDIBLE EMPLOYMENT

Suspendible Employment includes activities of the types engaged in by any Employer, and employment involving skills learned through practice or acquired during training that are applicable to the plumbing and pipefitting industry within the Jurisdiction of Local 119. It also includes supervision of employees who practice skills involved in the plumbing and pipefitting industry. Suspendible Employment includes work for Employers, work for non-Union employers and self-employment as an owner or operator at a firm engaged in the plumbing and pipefitting trade. The decision of whether employment is Suspendible Employment is made by the Trustees. This suspension rule does not apply to work performed outside the Jurisdiction of Local 119. ^[5.05(B)(2-4)]

JURISDICTION

The jurisdiction of the Plan is limited to Alabama counties: Mobile, Baldwin, Washington, Escambia, Monroe, Conecuh, Covington, Clarke, and the southern half of Choctaw and Wilcox. ^[5.05(B)(3)]

SUSPENSION OF BENEFITS

A Participant receiving a retirement benefit under the Plan is required to notify the Trustees of a return to Suspendible Employment. Failure to provide notice prior to a return to work may result in a suspension of pension. ^[5.05(C)(1)]

The retiree will forfeit one month of benefit for each month during which the retiree is employed eighty **(80)** or more hours in Suspendible Employment.

Retirees considering a return to work may contact the Plan Manager for a determination as to whether or not employment will be Suspendible Employment.

Once you cease Suspendible Employment and notify the Trustees, your retirement benefit will commence or resume based on the provisions explained in this section and following approval by the Trustees.

The only exception is if you have reached age 70½ years of age, in which case you may work in Suspendible Employment without a suspension.

In enforcement of the suspension rule, Retirees may be required to periodically complete an affidavit verifying that no work in Suspendible Employment has been performed. Failure to provide the affidavit upon request by the Trustees may result in suspension of pension benefits.

RETURN TO WORK NOTIFICATION REQUIRED

If you intend a return to work within the Jurisdiction of Local 119, you are required to contact the Plan Manager in advance of your return to work.

If you fail to notify the Plan Manager of your return to work in the trade within the Jurisdiction of Local 119, and the Trustees discover you have returned to work, the Trustees have the right to presume you were engaged in employment for which benefits should have been suspended for each month in which your employer performed work at that job site. The Trustees have the right to require you provide information to support a claim that you are not working in the trade. Information that may be required includes your sworn statement, a letter from your employer, copies of pay stubs and copies of your income tax returns for the period in question.

You will be notified in writing of a determination that your pension benefit has been suspended, the effective date of the suspension, the duration of the suspension, and the procedure you may follow to appeal the Trustees' decision in the first month in which benefits are suspended. ^[5.05(C)(3)]

If you have ceased employment by the time the Trustees determine you were working during a period when your benefits should have been suspended, you will be notified of the amount of your benefit subject to suspension, the period for which benefits will be suspended and, upon resumption of benefits, the amount that will be withheld from your monthly benefits until the total amount that should have been suspended has been recouped by the fund. Your first three months' payments after you again retire may be reduced completely (100%), if necessary. After that, your monthly payments could be reduced by up to 25%.

You have the right to review any suspension of benefits determination by the Board of Trustees. You may appeal a suspension of your benefits by following the claims appeal procedure as explained in this booklet.

RESUMPTION OF BENEFITS FOLLOWING SUSPENSION

If your retirement benefit has been suspended due to work within the Jurisdiction of Local 119, you should notify the Trustees immediately upon termination of your employment, to request resumption of your pension benefits. Benefits not paid to you during the period of employment will be forfeited.

Your benefit will resume no later than the first of the month following the third month in which you ceased employment and applied in writing for a resumption of benefits and are approved by the Trustees. [5.05(C)(4)]

RECALCULATION OF PENSION BENEFIT

If you return to work in Covered Service following your retirement, you may apply for a recalculation of your retirement benefit upon termination of your employment, if your benefit has been suspended, or if you have been working in Covered Service outside the Jurisdiction of Local 119. [5.05(E)]

You must earn at least one-half year of Vesting Service (435 hours) in a Plan Year to be eligible for a recalculation. All hours in Covered Service since your last retirement date will be used to recalculate your retirement benefit. [5.05(E)(1)]

You may apply for a recalculation of your retirement benefit upon termination of employment, if you do not anticipate earning any more hours during the calendar year, or annually upon the anniversary date of your retirement. A “re-retirement” requires the same application procedure as initial retirement.

The amount of your Early or Normal Retirement benefit earned prior to your return to employment will remain the same. Any additional monthly benefit to which you may be entitled as a result of additional Contributions will be calculated based on the benefit formulas in effect on your “re-retirement” date.

The appropriate Early or Normal Retirement Options will be applied to the “re-retirement” benefit amount. You may select an Annuity Option for this portion of your retirement benefit if you have not already selected an Annuity Option on or after your Normal Retirement age.

Each period of re-employment will be calculated separately. The amount of any additional benefit will be added to the amount earned prior to each return to employment to arrive at the new monthly benefit.

TEMPORARY WAIVER OF SUSPENSION

The Trustees may provide a temporary waiver of the suspension of benefit requirements in the following situations:

- 1) To meet temporary manpower shortages for work at the trade for Employers;
- 2) For short-time work for Employers that requires special individual skills; or,
- 3) For work for Employers that is not covered by the Collective Bargaining Agreement. [5.05(F)]

DEATH OF A RETIREE WHO HAS RETURNED TO WORK

If a Retiree dies while under suspension of benefits for a return to work within the Jurisdiction of Local 119 or while working in Covered Service outside the Jurisdiction, it will be presumed that he had ceased employment and “re-retired” effective on the date of death. Any additional pension benefit earned during the return to work will be provided under the provisions of the pre-retirement death benefit as explained in this booklet.

TEMPORARY DISABILITY INCOME

The Plan provides a Temporary Disability Income benefit. Terminated Vested employees who have incurred a Termination and Retirees who return to employment are not eligible for this benefit. [3.04]

A Participant who incurs a Total and Permanent Disability after March 1, 2009 may be eligible for the Temporary Disability Income when the Participant:

- 1) Has completed at least 10 years of Vesting Service; and,
- 2) Has not incurred two consecutive One-Year Breaks-in-Service; and,
- 3) Incurs a Total and Permanent Disability as evidenced by entitlement for a Social Security disability benefit.

It is important to understand that eligibility for this benefit requires that the Participant’s Social Security disability entitlement date be before the Participant incurs a Termination of Participation.

Your disability benefit start date is the later of:

- 1) The last day you worked in Covered Service; or
- 2) The disability date set forth in your Social Security Disability Award Notice. [3.04(C)(2)]

The disability benefit start date may not be changed.

DISABILITY BENEFIT AMOUNT AND PAYMENT

The disability benefit amount will be based on the Participant's accrued monthly pension value adjusted for the Participant's age. The table below provides approximate factors which may be used to estimate your monthly disability benefit. The Plan Actuary will calculate the final disability amount.

Age at Disability Effective Date	Disability Factor
55	0.4085
56	0.4616
57	0.5225
58	0.5925
59	0.6732
60	0.7665
61	0.8745
62	1.0000

The disability benefit will increase to the full accrued monthly pension benefit at the Participant's Normal Retirement age. The Temporary Disability Income may be converted to an Early Retirement, at the option of the qualified Participant. You must make application to have your benefit converted to Early Retirement. The advantage of converting may be that you can select a Joint & Survivor option and Early Retirement at age 61 with 15 years of service is unreduced. [3.04(C)(4)]

The initial Temporary Disability Income payment will include benefits retroactive to the disability benefit start date which may include the Social Security five month waiting period.

A retroactive benefit will not qualify for an interest adjustment but will have a required 20% federal tax withhold.

Your benefit will cease to be paid if you recover from your disability prior to Normal Retirement age [3.04(C)(3)].

The Temporary Disability Income is not a Retirement Option, although Retirement Options are available to a Participant receiving Temporary Disability Income.

DISABILITY & RETIREMENT OPTIONS

A Participant whose application for the Temporary Disability Income benefit is denied because Social Security has not approved the disability, may, if eligible, elect to take an Early Retirement and, upon receiving the Social Security disability approval, convert from an Early Retirement to the Temporary Disability Income benefit if the Social Security disability date is coincident with or prior to the Early Retirement date. [3.06(B)]

The Participant may convert from Early Retirement to Disability but only if the spouse waives the right to the Joint & 50% Survivor Annuity. [5.02]

Your Temporary Disability Income benefit converts to Normal Retirement at your Normal Retirement Age and the monthly amount increases to the full benefit.

An eligible Participant may convert to an unreduced Early Retirement at age 62 and receive the full accrued monthly benefit.

In either case, the Participant will select an Annuity Option or accept the automatic Joint & 50% Survivor Annuity if married upon conversion.

DEATH BENEFITS UNDER DISABILITY INCOME

The Eligible Spouse of a Participant receiving the Temporary Disability Income benefit will be entitled to the Pre-Retirement Death Benefit if the Participant dies before reaching Normal Retirement Age.

QDRO & DISABILITY BENEFIT

A Qualified Domestic Relations Order (QDRO) may allocate a portion of the retirement benefit to an Alternate Payee in which case the amount of the Temporary Disability Income will be based only on the Retirement Income allocated to the Participant. It will not include the Retirement Income allocated to the Alternate Payee. [3.04(B)(3)]

PRE-RETIREMENT DEATH BENEFIT

If you die before your retirement starts, your Eligible Spouse or designated beneficiary may be entitled to receive a Pre-Retirement Death Benefit.

The designated beneficiary of an Active Participant (vested and non-vested) who is not married at death may be eligible for a \$5,000 death benefit. A Terminated Participant does not have this benefit.

An Eligible Spouse surviving a Vested Participant is the designated beneficiary by law and entitled to select one of the following benefits:

- 1) A retirement income for the Eligible Spouse's lifetime in an amount equal to one-half of the monthly income the Participant would have received had the Participant elected retirement on the first day of the month coincident with or next following the earliest retirement date and also elected a Joint & 50% Survivor Annuity (Qualified Pre-Retirement Survivor Annuity); or
- 2) In lieu of the Qualified Pre-Retirement Survivor Annuity, a retirement income starting on or after the first day of the month following the date of death adjusted to the actuarial equivalent benefit based on the retirement start date, but in no case later than the Participant's Normal Retirement Date. ^[4.01]

POST-RETIREMENT DEATH BENEFIT

The death benefit payable to your beneficiary after your retirement is the benefit option you selected at the time of retirement: Life Annuity, 120 Payments Guaranteed Plus Life Annuity, or Joint & Survivor (50%, 66²/₃%, 75% or 100%).

The Plan Manager, when notified of your death, will contact your beneficiary and provide the forms for filing for the benefit.

414(k) INDIVIDUAL ACCOUNT

The 414(k) Individual Account component of the Pension Plan was effective July 1, 2001. This benefit is called the 414(k) benefit because it is established under Section 414(k) of the Internal Revenue Code. ^[8.01]

VESTING UNDER 414(k)

Vesting occurs when the Participant earns at least one year of Vesting Service (870 Hours of Service in a Plan Year or 435 Hours of Service in two Plan Years) or reaches Normal Retirement Age and has not incurred two consecutive One-Year Breaks-In-Service. A Participant must be vested in the 414(k) benefit to qualify for a distribution. ^[8.01(E)]

INDIVIDUAL ACCOUNT

Under the 414(k) benefit, each Participant may have an Individual Account. The Individual Account is not a separate asset but a part of the Trust Fund.

Your Individual Account is credited with contributions that are made on your behalf. In addition, once a year, at the close of each Plan Year, your Individual Account is credited (or debited) for any investment return (earnings or losses and expenses) as determined by the Trustees in their sole and absolute discretion. ^[8.02(B)]

Your benefit payable from the 414(k) Individual Account is the balance in your account at the time it is paid to you or your beneficiary.

CONTRIBUTIONS TO YOUR INDIVIDUAL ACCOUNT

Contributions are credited to your Individual Account when there is a 414(k) Contribution required by the collective bargaining agreement. Contributions are credited to your Individual Account when you work in a jurisdiction where the pension plan has a higher contribution rate than does the Local 119 Pension Plan; in which case the reciprocal contribution in excess of the Defined Benefit Allocation amount set by the Trustees is credited to your account. Additional information concerning the contribution rates and Defined Benefit Allocation are stated in this booklet (see History of Contribution Rate).

Reciprocal contributions are credited to your 414(k) account only when contributions for these hours are paid and received by this Plan within twelve months after the reciprocating pension plan has received such contribution. ^[7.08(A)]

Only Employer and reciprocal contributions qualify and you may not make direct contributions to your 414(k) Individual Account.

The Plan will give you credit for contributions during a period of qualified military service upon your application and approval by the Board of Trustees, as required by the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA).

ROLLOVERS PROHIBITED

The Local 119 Pension Plan does **not** accept a rollover of assets from another qualified retirement plan into a 414(k) Individual Account.

DISTRIBUTIONS FROM 414(k)

You or your beneficiary will be entitled to receive the balance of your 414(k) Individual Account if you:

- 1) Begin receiving your Normal, Early, Late, or Vested Retirement Income or Temporary Disability Income from the Plan; or
- 2) Attain age 65 and are not otherwise eligible for a retirement benefit from the Plan; or
- 3) The Participant dies; or
- 4) The Participant has no contributions (Employer or Reciprocal) credited to the 414(k) Individual Account for a 6 consecutive month period. ^{(B.03(A))}

A withdrawal is limited to the entire account balance as of the last valuation date plus any contributions which have been credited in the current Plan year. A partial withdrawal is not allowed.

The Plan requires that you receive your Account balance no later than the December 31st of the calendar year in which you attain age **70½** years.

DISTRIBUTION OPTIONS

The balance in your Individual Account can be paid in a lump-sum distribution if the value is less than \$1,000 (Defined Benefit and 414(k) combined).

Otherwise you have two choices regarding how you may receive your benefit:

- 1) A single lump-sum distribution;
- 2) A monthly annuity including: a) Life Annuity; b) 120 Payments Guaranteed Plus Life; c) Joint & Survivor (50%, 66²/₃%, 75% or 100%).

If you choose a single lump-sum distribution, the amount of your benefit is your Individual Account balance. If you choose a monthly annuity, the Trustees will purchase an individual annuity contract from an insurance company on your behalf using your Individual Account balance and the amount of your monthly benefit will depend on which annuity option you choose and the insurance company's annuity purchase rates at that time.

Under federal law, if you are married, your spouse has the right to require that you select an Annuity Option that provides at least 50% of your monthly benefit be paid to your spouse after your death. You cannot choose a single lump-sum distribution, a Life Annuity, or the 120 Payments Guaranteed Plus Life without your Eligible Spouse's written and notarized consent.

TAXES ON YOUR 414(k) DISTRIBUTION

Contributions made to your Individual Account are not taxed, and the investment gains are tax deferred, but once you begin receiving your benefit, in any form from the 414(k) account, your benefits are considered income subject to taxes.

The Internal Revenue Service requires the Plan to withhold 20% of a lump sum distribution and provide a Form 1099 for the taxable income in the year of the withdrawal. In the case of a direct rollover, no taxes are withheld but the Plan will issue a Form 1099. At the time you apply for a 414(k) distribution, the Plan Manager will provide you with the "Special Tax Notice" regarding federal tax rules. The Plan Manager cannot advise you on the subject of taxes.

414(k) DEATH BENEFITS

If you die before receiving a distribution from the 414(k) account, the Individual Account balance will be paid as a single lump-sum distribution or as a monthly life annuity to your Eligible Spouse or, if you do not have a spouse, to your named beneficiary. If your beneficiary chooses to receive a monthly annuity, your Individual Account balance will be used to purchase an annuity from an insurance company.

If the Individual Account balance is less than \$1,000, your beneficiary will automatically receive a single lump-sum distribution.

If you die after you have received a lump-sum payment of your entire 414(k) Individual Account, or after an annuity has been purchased, and have had no further contributions to your Individual Account, no additional benefits will be paid from the Plan. If you had chosen to have an annuity purchased on your behalf, a monthly death benefit may be payable from the insurance company under your annuity depending on the form of annuity you chose.

414(k) Individual Account – Early Distribution

Early distribution rules are established by the Trustees. Partial distributions are not allowed and only the entire account balance may be distributed.

To be eligible for a pre-retirement withdrawal the Participant must have a six (6) consecutive month period during which there are no Employer or Reciprocal contributions made to the account. The participant must make a written application for the withdrawal no earlier than the last day of the six (6) month period. A distribution will take from 45 to 90 days following the application date.

FILING A CLAIM FOR BENEFITS

This section explains the steps you must follow to file a claim for benefits under the Plan and the appeal procedure in the event your application is denied.

The application and appeal procedures also apply to Pre-Retirement and Post-Retirement Death benefits and to the Temporary Disability Income benefit.

INITIAL APPLICATION

To apply for a benefit, you must obtain the necessary application from the Plan Manager. The Plan Manager will provide information on the Retirement Options and the value of your monthly benefit under each of the Annuity Options, as well as instructions on completing the application form. You should contact the Plan Manager not more than 180 days and not less than 30 days in advance of your retirement date to receive this information. You will need to provide the following items:

- 1) A copy of your birth certificate or other certified proof of age; and,
- 2) A copy of your spouse's birth certificate or other certified proof of age; and,
- 3) A copy of your marriage license or other proof of marital status; and,
- 4) If you are divorced, a copy of your divorce decree and a copy of any applicable Domestic Relations Order.

You should complete the entire application form and return the signed form, along with all other materials required, to the Plan Manager no earlier than 180 days and no later than 30 days in advance of your requested start date. If you have questions about the application, contact the Plan Manager.

FILING YOUR APPLICATION

Your application will be considered filed when the Plan Manager has received the completed and signed application form and all other information required to process your application.

TIME LIMITS ON DECISIONS

Unless special circumstances exist, you will be informed of the Trustees' decision regarding your application within 90 days of the date the application is filed with the Plan Manager.

Within the 90-day period, you will receive either your initial retirement benefit approval or a notice that:

- 1) Explains the special circumstance requiring a delay in the initial decision; and,
- 2) Sets a date, no later than 180 days after the application is filed with the Plan Manager, by which you can expect to receive a decision.

If you have not received a response to your claim for benefits within 90 days of your application, you have the right to file an appeal with the Board of Trustees.

DENIAL OF A CLAIM FOR BENEFITS

If your application is denied, in whole or in part, you will receive a notice from the Plan Manager that will:

- 1) State the specific reason(s) for the denial;
- 2) Provide a reference to the Plan provisions in the Plan Document upon which the denial is based;
- 3) Describe additional information necessary for reconsideration of the claim; and,
- 4) Explain the appeal procedure to have your claim for benefits reconsidered.

The Trustees' decision to deny your claim in whole or in part is the final decision unless you appeal the denial by following the appeal procedure.

APPEAL PROCEDURE WHEN A CLAIM IS DENIED

You have the right to appeal for a review of your claim for benefits. You, your beneficiary, or a duly authorized representative, including an attorney, may appeal any denial of a claim for benefits by filing a written request for review by the Trustees. The appeal procedure is as follows:

- 1) You must file a written request for review by the Trustees within 60 days of the date your claim for benefits was denied or 180 days for a disability claim;
- 2) If the denial included a description of material or information required for reconsideration, you must provide the information, or explain in writing why it cannot be provided;
- 3) You have the right to review documents pertinent to the denial of your claim at the office of the Plan Manager. To the extent that the Plan is required to furnish copies of documents, a reasonable fee may be charged.

- 4) You have the right to include with your written appeal any information you feel supports your position, including your written comments on the issues that you want the Board to consider in reviewing their decision. Mail your appeal to: Local 119 Pension Plan, 1717 Old Shell Road, Mobile, AL 36604.

TRUSTEES' DECISION ON REVIEW

The Trustees will review your claim and respond in writing within 45 days. If the Trustees require additional time to review your appeal, you will be notified in writing that an additional 30 days will be required and the reason for the extension.

The Trustees will provide a decision no later than 120 days after your written appeal was received and, if later, no more than 30 days after the date on which you last submit any additional information requested by the Trustees.

You will be notified in writing of the Trustees' decision and the specific reason for their decision. The decision of the Trustees is final and binding and is intended to be upheld as neither arbitrary nor capricious if challenged in court.

If you are not satisfied with the Trustees' decision, you have the right to file a civil suit. You must have completely complied with the appeal procedure prior to filing suit. Further, **no legal action** may be commenced against the Plan, Plan Manager, Board of Trustees or any other individual or entity, individually or collectively, more than **180** days after the date of the Trustees' final decision. ^[6.15(G)]

YOUR RIGHTS UNDER ERISA

As a Participant in this Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Participants are entitled to:

Examine, without charge, at the Plan Manager's office and at other specified locations, such as the Union office, all Plan documents, including insurance contracts, collective bargaining agreements and copies of all documents filed by the Plan with the U.S. Department of Labor, such as detailed annual reports and Plan descriptions. Examination of these documents may be made at the Plan Manager's office during normal business hours, provided you have given reasonable prior written notice and specified what materials you wish to inspect.

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

Receive a summary of the Plan's annual financial report. The Plan Manager is required by law to furnish each participant with a copy of this summary annual report.

Subject to limitation allowed by law, obtain a copy of any periodic actuarial report, a copy of any quarterly, semi-annual or annual financial report prepared by an investment advisor or other fiduciary or a copy of the application filed with the Secretary of Treasury requesting an extension of amortization periods under Section 304 of ERISA and the determination of such Secretary pursuant to such application. Requested reports must be in possession of the Plan for at least 30 days before the Plan Manager is required to furnish the reports. These reports must be requested in writing and are not required to be given more than once every 12 months. The Plan Manager may make a reasonable charge for copies.

Obtain a statement telling you whether you have a right to receive a pension at Normal Retirement age and, if so, what your benefit would be at Normal Retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will show how many more years you have to work to earn a right to a pension. This statement must be requested in writing and the Plan is not required to provide it more than once a year. The Plan must provide the statement free of charge.

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of your Plan. Those who operate your Plan, called "fiduciaries," 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 to which you are entitled for exercising your rights under ERISA.

If your claim for a pension benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. If you are not satisfied with the action on your claim, you have the right to have the Trustees review and reconsider your claim in accordance with the Plan's claim appeal procedures.

GOVERNMENT PROTECTION OF BENEFITS

Under ERISA, there are steps you can take to enforce your rights. If you properly request materials that the Plan is required by law to provide, and do not receive them within 30 days, you may file suit in a federal court. Before taking action you should check with the Plan Manager to make sure your request was correctly made and received. If you are still unable to get the information you want, you may take legal action. 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 Administrator's control.

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. However, before exercising this right, you will find it advisable to exhaust all the claim appeal procedures provided under the Plan and then proceed only upon the advice of your attorney. If you feel that the Plan fiduciaries may be misusing the Plan's money, or discriminating against you for asserting your rights under ERISA, 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.

If you have questions, you should contact the Plan Administrator (Board of Trustees) or Plan Manager. If you have questions about this statement or about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, Public Disclosure Room, 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.

Your retirement benefits are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency.

Under the multiemployer plan program, the PBGC provides financial assistance through loans to plans that are insolvent. A multiemployer plan is considered insolvent if the plan is unable to pay benefits (at least equal to the PBGC's guaranteed benefit limit) when due.

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a participant's years of service multiplied by (1) 100% of the first \$11 of the monthly benefit accrual rate, and (2) 75% of the next \$33. The PBGC's maximum guarantee limit is \$35.75 per month times a participant's years of service.

For example, the maximum annual guarantee for a retiree with 30 years of service is \$12,870 (\$35.75 x 12 months x 30 years of service). 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 five 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, life 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>.

FEDERAL LAWS AFFECTING BENEFITS

ELIGIBLE SPOUSE BENEFIT

If you are married, federal law requires that your Eligible Spouse be involved in the process of retirement and the selection of an Annuity Option.

Under the Retirement Equity Act of 1984, if you are married and vested, your spouse is automatically entitled to a Joint & 50% Survivor Annuity.

If you are married and do not wish the Joint & 50% Survivor Annuity be provided, your spouse must consent in writing to waive the right to receive the Joint & 50% Survivor Annuity; a notary public or a representative of the Plan Manager's office must witness the spouse's signature. You may at that time name a beneficiary other than your spouse.

REQUIRED BEGINNING DATE AT AGE 70½

The Board of Trustees is required to start paying your pension benefits no later than April 1st of the calendar year following the calendar year in which you have both reached age 70½ years and retired. Payments will begin even if you have not filed an application for retirement.

In this case, you are "retired" if you are employed in the trade within the Jurisdiction of Local 119 but work less than 80 hours per month or if you are employed outside the Jurisdiction of Local 119.

If you are a Participant who also owns more than 5% of a business that contributes to the Plan, your benefit payments will start on the April 1st of the calendar year following the calendar year in which you have reached age 70½ years, even if you have neither retired nor filed an application.

If you have not filed an application for a benefit at the time mandated retirement payment must be made, you will be retired based on the Joint & 50% Survivor Annuity Option, unless you do not have an Eligible Spouse or have filed a waiver within 180 days of the date your payments must begin.

MAXIMUM RETIREMENT BENEFITS

In no event will the annual retirement benefit exceed the legal limit established in Section 415 of the IRS Code and the Treasury Regulations thereunder. ^[3.05]

LUMP-SUM PAYMENT OF A SMALL BENEFIT

If the lump-sum value of your total retirement benefit (as determined by the Plan's actuary) is less than \$1,000, the Board of Trustees shall direct that a lump-sum payment be made to you in full settlement of all benefits due under the Plan.

DIRECT ROLLOVER OF ELIGIBLE DISTRIBUTION

You may elect to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by you. An eligible rollover distribution is a lump-sum payment as described above if not for retroactive benefits, or a lump-sum amount paid to a surviving Eligible Spouse under the provisions of the Pre-Retirement Death Benefit.

Your monthly retirement benefit under this Plan cannot be paid in a single lump-sum and would not be an eligible rollover distribution.

An eligible retirement plan is another qualified retirement plan, such as an individual retirement account (IRA), which will accept an eligible rollover distribution from this Plan. You contact the Plan at the time you become eligible for a benefit to request a rollover distribution.

The Local 119 Pension Plan does not accept rollover distributions from another pension plan.

WITHDRAWAL OF FUNDS IS NOT PERMITTED

Under a defined benefit pension plan, federal law does not permit withdrawal of contributions except for the 414(k) Individual Account. Money contributed on your behalf may be paid only in the form of a retirement annuity, disability or death benefit.

DISTRIBUTION UNDER A QUALIFIED DOMESTIC RELATIONS ORDER (QDRO)

Generally, your benefits under this Plan are payable to you or your spouse or a designated beneficiary in the event of your death. In certain cases, if you divorce, the court may order that a portion or all of your benefits are payable to your former spouse or children (referred to in the court order as "alternate payees"). If the Trustees determine that the order is a "Qualified Domestic Relations Order," as defined below, payments will be made to the alternate payee(s) as required by that order.

A QDRO is a court order granting an alternate payee the right to receive some or all of a Participant's benefits in a retirement plan such as this one.

The order must satisfy **all** of the following:

- 1) It must contain the names and last known mailing addresses for the Participant and each of the alternate payees;
- 2) It must set forth a specific dollar amount or percentage of the Participant's benefits that are assigned to each of the alternate payees;
- 3) It must describe the period to which it applies, that is, the period of the marriage, start and end dates;
- 4) It must specify that it applies to the MC-UA Local 119 Pension Plan and state that it applies to the defined benefit and/or 414(k) Individual Account;
- 5) It may not require this Plan provide any type or form of benefits it does not otherwise provide;
- 6) It may not require the Plan to pay more in benefits than it would if the order did not exist; and,
- 7) It may not require the Plan to pay the same benefits to an alternate payee that have been assigned to another alternate payee either in this or a prior QDRO.

When the Plan receives a DRO, the Plan Manager will notify you and each named alternate payee that the court order has been received. Within 60 days of receipt of the court order, you and each alternate payee will be notified of the Trustees' determination whether the court order is a Qualified Domestic Relations Order. If a decision is made that the order is not a QDRO, the notice will include an explanation of why this determination was made.

If the court order is a QDRO, you and each alternate payee will be notified of the procedure to arrange for distribution of benefits.

Under no circumstances will any alternate payee be entitled to receive any payments until you, the Participant, are entitled to receive your pension, according to all other provisions of the Plan.

An individual or their attorney attempting to establish a QDRO may contact the Plan for assistance and the Plan's sample QDRO.

UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT (USERRA)

USERRA requires this Plan give you pension credit (i.e. Hours of Service) for certain service performed while you are in the United States Army, Navy, Air Force, Marines, or Coast Guard (or any Reserve or National Guard components of any of these), in the commissioned corps of the United States Public Health Service, or in any other category of persons designated by the President of the United States in a time of war or emergency. However, in order to receive pension credit under the Plan for your military or other service as described above, you must have been working in Covered Service immediately prior to entering such service and you must return to Covered Service within the time period specified in the law. You may obtain the Plan's policy on credit for qualified military service and other information by contacting the Plan Manager prior to your departure for service. Information about the law, USERRA, www.servicemembers.gov.

FAMILY AND MEDICAL LEAVE ACT (FMLA)

The FMLA is a federal law that requires the Plan to allow you credit for a period of absence from work for certain reasons without counting that absence as a break in your service.

FMLA reasons for absence are limited to:

- 1) A leave of absence taken for incapacity due to pregnancy, prenatal medical care or child birth;
- 2) A leave of absence taken to care for the employee's child after birth or placement for adoption or foster care;
- 3) A leave of absence taken to care for your spouse, son, daughter, or parent with a serious health condition;
- 4) A leave of absence taken when you are unable to perform your job because of a serious health condition; or
- 5) A leave of absence taken under the military family leave entitlements of the FMLA.

Please note that only your Employer can determine whether to grant FMLA leave, and this is not a determination made by the Trustees. The Trustees' authority extends only to determining whether you are eligible for a grace period for the duration of the leave so that you will not incur a Break-in-Service.

FMLA leave is granted by your Employer and when approved you should contact the Plan Manager to request a grace period to avoid the possibility of incurring a One-Year Break-in-Service.

FMLA leave will result in the credit of up to 501 hours for the sole purpose of avoiding a One-Year Break-in-Service and does not result in the credit of hours for vesting or accrual of benefits.

RESPECTING YOUR PRIVACY

The Plan collects and shares information only for the purpose of administering benefits. Access to an individual's personal information is provided only to those who have a legitimate need to know in order to provide administrative services, benefit products, or who are entitled to access the information as required by law. Employees who have access to this information are required to follow procedures designed to keep the information secure and confidential. Physical, electronic and procedural safeguards are in place to protect this information.

Most information is obtained directly from you or your Employer, and may include:

- 1) Personal identifying information, such as name, address, telephone number, date of birth, and Social Security Number;
- 2) Financial information, such as hourly wage information provided on Employer Contribution reports or pay stubs that you provide; and,
- 3) Health information, if you are applying for a Temporary Disability Income or exception to a One-Year Break-in-Service.

If the Plan needs to verify information or requires additional information, that information may be collected from the Union, your Employer or the administrator of a reciprocal plan.

Individual Participant records are maintained and may contain transaction information including employment history, hours worked, dependent data, beneficiary changes and account withdrawal.

Medical information from health care providers or health plan administrators is obtained only if you apply for disability or medically related benefits from the Plan, and only with your authorization. Medical information is disclosed to affiliate third parties only as permitted or required by law.

Current law allows disclosure of information in order to carry out necessary business activities. These may include underwriting contracts, data processing, legal, accounting and actuarial services, as allowed by law. Information may also be disclosed to your Eligible Spouse who is entitled to receive benefits, Employers, the Union and reciprocal administrators, as allowed by law. Information may be provided to law enforcement and governmental and regulatory agencies as required by law.

Through participation in the Plan, you authorize the Plan to obtain, use and release all records about you which may be needed for proper administration of the Plan and your benefits. Please be advised that the Trustees and the Plan Manager will strive to keep this information confidential and release it only to others who have a legitimate need for the information. The Plan, Trustees and Plan Manager will not be liable for uses of the information that are not authorized.

PLAN TERMINATION

The Board of Trustees fully intends to maintain the Plan on a sound actuarial basis. Although there are certain legal minimum annual contributions which must be made in order to maintain the Plan, neither your Employers, your Union, the Trustees, nor any of their officers, agents, or employees may guarantee that contributions will be made. All contributions will be placed in the Trust Fund and all benefits under the Plan will be paid from the Fund in accordance with the legal Plan documents. Any person having any claim under the Plan should look to the assets of the Trust Fund for satisfaction.

The Board of Trustees intends to continue the Plan indefinitely, but must reserve the right to amend the Plan, to change the method of providing benefits, or to terminate the Plan if that should ever be necessary. In such a case, you will be notified of any changes that have to be made and the reason behind any such decision.

Remember, however, that no amendment will be made to the Plan that would deprive you, any Retiree or any beneficiary of any rights or benefits you had already earned. Under the law, no amendment or change can be made that would divert any part of the Plan's Trust Fund to a purpose other than for the exclusive benefit of you or your beneficiaries until all earned benefits have been provided.

If the Plan has to be terminated, you will become 100% vested in the normal retirement benefit you had already earned as of the Plan's termination date (to the extent funded as of such date). This is true regardless of how much service you may have had in the Plan at that time.

Whether you eventually receive all or part of your Plan benefit depends on whether there is enough money in the Trust Fund to pay for it and, if not, whether the Pension Benefit Guaranty Corporation insures the benefit. The law sets priorities as to how the money in the Trust Fund will be used to provide the following benefits in the order as listed below, until the money is used up.

First: all Individual Accounts under the 414(k) component of the Plan.

Second: benefits for those who have received Plan benefits for at least three years before the termination date, and then for those who could have started receiving benefits at least three years before the termination date. Benefits in these instances will be based on any Plan provision in effect during the five years prior to termination that would produce the lowest amount. In addition, the maximum for those who have received benefits for at least three years would be based on the lowest benefit payment received during that three-year period.

Third: all other benefits that are insured by the Pension Benefit Guaranty Corporation.

Fourth: vested benefits that are not insured by the Pension Benefit Guaranty Corporation.

Last: any other benefits earned in the Plan. This includes those benefits that became vested only because of Plan termination.

Prior to the distribution of assets, the distribution will be submitted for approval to the PBGC, a corporation within the Department of Labor, and the Internal Revenue Service. No assets of the Trust Fund will revert to the Contributing Employers.

PLAN MERGER

Although the Board of Trustees intends to continue this Plan as it currently exists and not merge it with another Plan, the Trustees may, in the future, feel it is in the best interest of the Plan's Participants to merge the Plan with another pension plan. In the event this happens, you will not receive a benefit after the merger that is any less than the benefit you would have received on the date prior to the merger.

NON-TRANSFERABILITY OF BENEFITS

The money in the Trust Fund is used exclusively to provide benefits to you and your beneficiaries. It cannot be used for any other purpose. This applies both to the employers and to you, because you cannot assign, transfer or attach your benefits nor use them as collateral. The only exception is in the case of a Qualified Domestic Relations Order.

PARTICIPANT'S RIGHTS IN THE TRUST FUND

No portion of the Plan's Trust Fund may be diverted to a purpose other than for the exclusive benefit of Participants and their beneficiaries. No Participant or other person shall have any interest in or right to any part of the assets of the Trust Fund except in the form of a retirement benefit, disability benefit or Survivor Annuity to which they are entitled.

PENSION PLAN ADMINISTRATION

The Board of Trustees administers the Plan and acts as the Plan fiduciary. The Board is the legal Plan Administrator and has authority to make the rules and regulations necessary for the day-to-day operations of the Plan. The Trustees have full authority and discretion to interpret any and all provisions of the Plan and their decisions are final. Benefits under this Plan will be paid only if the Plan Administrator decides that the applicant is entitled to a benefit.

No Employer or Union is authorized to interpret the Plan on behalf of the Board of Trustees, nor can an Employer or Union act as an agent of the Board.

The Board of Trustees has contracted with a Plan Manager to handle routine requests regarding eligibility rules, benefits and claims procedures, and to file government reports and handle administrative activities under Plan provisions.

In the case of a dispute, conflict or procedural issue, the Plan Manager will refer such matter to the Board of Trustees for final determination.

As required by law, an independent auditor examines the Fund's financial records every year and certifies their accuracy, completeness, and fairness. The Trustees are required to submit annual financial statements and other reports to the U.S. Department of Labor and the Internal Revenue Service.

LEGAL PLAN DOCUMENTS

This booklet provides a summary of the Plan documents. It has been written in a more clear, understandable and informal language than the legal documents of the Plan. Please refer to the legal Plan Document and the Trust Agreement, which are the official Plan documents, for more extensive information.

In the event there are discrepancies between what is written in this Summary Plan Description and the legal Plan documents, the official documents shall take precedence over this booklet.

You may examine the Plan Document and the Trust Agreement, as well as the Plan's annual financial report, by requesting an appointment in writing to the Plan Manager. If you would rather have a copy of these documents, send a written request to the Plan Manager. The Plan Manager may charge a reasonable fee for copies.

The participant or beneficiary may receive from the Plan Manager, upon written request, information as to whether a particular employer or employee organization is a sponsor of the Plan and if so the sponsor's address.

Participants will receive an Annual Funding Notice concerning the Plan's status under the Pension Protection Act. It will provide financial information required by the Act and the Plan's status: safe, endangered, or critical. Information concerning any benefit reductions required for an endangered or critical status will be sent to all Participants.

You will receive a summary of the annual financial report each year at no charge. You will also receive at no charge an annual statement of the current accrued value of your individual pension.

When changes are made to the Plan that may affect future eligibility and benefits, every attempt is made to notify you as soon as possible. The law requires that you be notified within 210 days of the close of the Plan Year in which such a change was made.

EMPLOYER PARTICIPATION IN THE TRUST

An Employer signatory to the Collective Bargaining Agreement becomes a participant in the Trust. The Employer will remain a participant in the Trust so long as all provisions of the Collective Bargaining Agreement or other written agreement are fulfilled and especially timely reporting and payment of Contributions required to the Trust.

Failure by the Employer to meet obligations under the Collective Bargaining Agreement, the Trust Agreement, and Plan can result in the Employer being removed as a participating Employer.

The Board of Trustees has the authority to remove an Employer from the Trust. The Trustees have written policies and procedures designed to protect the financial integrity of the Trust. A violation of the Trust or conditions for participation may result in the Employer being removed from the Trust at the sole discretion of the Board of Trustees. Removal has no effect on the Collective Bargaining Agreement.

Hours of Service earned on and after the date an Employer is removed from the Trust will not be credited to the Participants' retirement accounts. In such case, Participants working for the Employer will receive written notice prior to removal of the Employer. ^[14.01 Trust]

PARTICIPANT'S RESPONSIBILITIES

Each Participant is responsible for providing to the Trustees information necessary administering the Plan and its provisions. Payment of benefits to a Participant is conditioned upon the Plan receiving the full, true and complete information necessary to establish the facts upon which benefits are based. You are responsible for the following:

- 1) Notifying the Plan Manager of your correct address and telephone number.
- 2) Completing beneficiary designation forms and updating those forms as necessary.
- 3) Reviewing your annual pension record. If you have questions or concerns regarding the information contained in the record, you must contact the Plan Manager immediately.
- 4) Registering with the United Association Reciprocity System and signing a reciprocal authorization to ensure contributions from outside the Jurisdiction of Local 119 are transferred to this Plan.
- 5) Completing the required forms when making a claim for benefits. All forms may be obtained from the Plan Manager.
- 6) In the event of divorce, where the former spouse is awarded a portion of the pension, the Participant must file with the Trustees in order to affect a Qualified Domestic Relations Order. Failure to file a Domestic Relations Order (DRO) with the Plan may result in your having a financial liability to comply with the DRO.

- 7) Retirees may be required to periodically complete an affidavit verifying that no work in Suspendible Employment has been performed. Information that may be required includes your sworn statement, a letter from your employer, copies of pay stubs and of your income tax returns for the period in question. Failure to complete this affidavit upon request may result in suspension of pension benefits.
- 8) Retirees are required to inform the Plan upon a return to work in Suspendible Employment.

Any notice of information which, according to the terms of the Plan, must be filed with the Trustees shall be deemed to be filed at the time it is actually received by the Plan Manager. Any notice must be filed at: Alabama Administrators, 1717 Old Shell Road, Mobile, AL 36604.

CONTRIBUTIONS TO THE TRUST FUND

The Plan provides that each Employer will make Contributions to the Trust Fund. The contribution amount is stated in the Collective Bargaining Agreement between the Employer and Local 119 or other written agreement accepted by the Trustees.

The minimum contributions to the Trust Fund for each year are determined by the Plan's actuary, using standards set forth in the Employee Retirement Income Security Act of 1974 (ERISA).

Plan benefits are provided solely from Trust assets. Employees and Plan Participants are not required nor permitted to make contributions to the fund.

PLAN INVESTMENTS

Contributions are paid into the Trust in accord with the Collective Bargaining Agreement. The Trustees have adopted an investment policy statement and employ professional financial managers to oversee the investments and ensure the funds are managed in adherence to the investment policy.

TAXES ON BENEFIT PAYMENTS

There are considerable tax advantages in the use of a trust fund. The fund pays no taxes on the income it earns or on any gains in the market value of its investments. And while funds are accumulating to provide Participants a future benefit, you owe no income tax on these investments until you actually receive benefits from the Plan.

Federal income taxes may be required to be withheld from your monthly retirement benefit if the amount is \$1,750 or more, unless you make a written election to the contrary on an election form available from the Plan Manager. Whether you have elected to have tax withheld from your monthly retirement benefit or not, you may change your election at any time by contacting the Plan Manager.

Federal laws governing lump-sum distributions require that a mandatory 20% be withheld for lump-sum payments under the Plan as well as retroactive payments of retirement and Temporary Disability Income benefits.

You should consult with a financial advisor or accountant concerning how and to what extent your pension benefit will be subject to federal and state taxes. The Plan Manager, Trustees or employees of Local 119 may not provide you with any information concerning the extent to which your individual pension benefit will be subject to taxes.

RECOVERY OF OVERPAYMENT

It is possible that a pension benefit may be overpaid due to a calculation error or a system problem or for some other reason. If a mistake is made in the calculation of a Pension benefit or an overpayment results from any other reason, whether attributable to the Participant, Beneficiary, Eligible Spouse or any other person or corporation associated with the Pension Plan, the Pension Plan has the right to be reimbursed. Benefit payments may be reduced to correct for a mistake, and the amount of any overpayment made to or on behalf of the Participant, Beneficiary or Eligible Spouse shall be deducted from the next succeeding benefit payments until such overpayment is recovered by the Pension Plan.

If any payments are made from the Trust Fund in excess of the amount entitled such overpayment must be repaid. If a mistake results in an underpayment the benefit will be adjusted to correct for the underpayment.

The retiree is required to notify the Plan Manager if the monthly benefit amount is different from the amounts stated in the original application. The retiree must notify the Plan of any overpayment.

If you elect to have your pension benefit direct deposited to your bank account, your spouse or beneficiary should be notified that they must report your death to the Plan immediately to avoid a continuation of your retirement benefit.

BENEFIT PAYMENT MANAGER

The Trustees contract with the Plan Manager to pay the monthly pension benefits. The Plan Manager provides for wire transfer of benefits to your financial institution or will provide a paper check. Payments are made on the first of the month for each month due. The Plan cannot ensure your payment will be received on the first of any month unless benefits are paid through electronic deposit.

The Plan Manager is also responsible for withholding of federal taxes and issuance of the annual IRS Form 1099-R. You may elect to have taxes withheld when you retire. You may change your election at will by contacting the Plan Manager.

If you need to obtain information concerning benefits you should contact the Plan Manager –

Alabama Administrators – (251) 478-5412

PROOF OF EXISTENCE REQUIRED

The Pension Plan has the right to require proof of existence in order to continue your monthly benefit. You should always notify the Pension Plan when you have a change of address or phone number. The Plan may send a request for proof of continued existence by registered or certified mail addressed to the persons last known address. If you do not respond within 60 days of the date of the request your monthly pension benefit will stop until you respond to the Pension Plan showing proof of continued existence. ^[6.09]

Upon the Plan receiving proof of existence your payments will resume and a retroactive payment will be made for any payments which were temporarily suspended.

GENERAL INFORMATION

The information provided in this section will assist you in understanding the general administration of the Plan and in contacting the appropriate individuals concerning your rights and benefits.

OFFICIAL NAME

Mechanical Contractors U.A. Local 119 Pension Plan.

PLAN ADMINISTRATOR

The Plan is provided through and administered by the Board of Trustees of the Mechanical Contractors U.A. Local 119 Pension Plan. The names of the Trustees are as follows:

Employer Trustees	Union Trustees
Robert G. Clapper J. Bradley Donaghey Ken Todd	Mark J. Burnett, Jr. Allen B. Polk Edward B. Sellew

The Trustees may be contacted at:

c/o Plan Manager
Alabama Administrators
1717 Old Shell Road
Mobile, AL 36604

PLAN SPONSORS

This is a multi-employer benefit plan, established and maintained under a Collective Bargaining Agreement between the following organizations:

Mobile Mechanical Contractors Association, Inc.
1717 Old Shell Road
Mobile, AL 36604

And

Local No. 119 of the United Association of
Journeymen and Apprentices of the Plumbing and
Pipefitting Industry of the United States and Canada
2456 Old Shell Road, Mobile, AL 36607

A copy of the Collective Bargaining Agreement may be obtained by a Participant upon written request to the Union.

IRS EMPLOYER IDENTIFICATION NUMBER (EIN):

63-6055121.

PLAN NUMBER: 001

PLAN YEAR

The records of this Plan are kept on the basis of a Plan Year which begins on January 1 and ends on December 31, for the purposes of accounting, maintaining individual pension records, and all reports to the U.S. Department of Labor, Internal Revenue Service and other regulatory bodies.

PLAN MANAGER

Certain administrative duties have been delegated by the Board of Trustees to the Plan Manager:

Alabama Administrators
A Division of Gulf States Consultants & Administrators, Inc.
1717 Old Shell Road
Mobile, AL 36604
In Alabama: (251) 478-5412
Outside Alabama: (800) 221-7025

BENEFIT PAYMENT MANAGER

Alabama Administrators
1717 Old Shell Road
Mobile, AL 36604

AGENT FOR SERVICE OF LEGAL PROCESS

Ed Kahalley, Plan Manager
Alabama Administrators
1717 Old Shell Road
Mobile, AL 36604

FUNDING MEDIUM USED FOR ASSETS

Assets are held in trust by the Board of Trustees. The primary investment of such funds is currently money market funds, common stock, corporate bonds and government securities. The custodian of assets is U.S. Bank Institutional Trust & Custody.

TYPE OF PLAN

This Plan is a multi-employer defined benefit pension plan with IRC Section 414(k) Individual Accounts.

Authority of Board of Trustees

The Pension Plan is governed by the Board of Trustees which is made up of representatives of the Union and Employer Association elected to manage the Pension Plan. The Board of Trustees is the Pension Plan administrator and each Trustee is a fiduciary to the Trust and Plan. The Trustees are responsible for designing and managing the Plan and maintaining the financial integrity of the Pension Plan. The Trustees have full discretionary authority to make determinations with respect to eligibility, benefits, policies, procedures and all matters concerning and related to the Pension Plan, Trust and specifically the payment of benefits. All questions, controversies, appeals or other matters concerning the Pension Plan are under the authority of and will be decided by the Board of Trustees. Any decision by the Board of Trustees shall be final and binding. The eligibility rules and benefits may be changed by majority vote of the Trustees. The Trustees have the power and authority to make additional rules and regulations as may be required.

DEFINITIONS

Certain words and terms have a specific meaning in relation to the Plan and are capitalized when used in this Summary Plan Description. You will find these terms explained in the Definitions section or defined within the text of this document.

The following terms are defined within the text of this booklet:

ANNUITY OPTION	6
BENEFIT UNIT	4
DEFINED BENEFIT ALLOCATION	13 & 27
FULL BREAK-IN-SERVICE	3
HOUR(S) OF SERVICE	1
414(k) INDIVIDUAL ACCOUNT	13
ONE YEAR BREAK-IN-SERVICE	3
PAST VESTING SERVICE	2
REQUIRED BEGINNING DATE	6
RETIREMENT OPTION	5
SUSPENDIBLE EMPLOYMENT	10
TERMINATION OF PARTICIPATION	2
TOTAL AND PERMANENT DISABILITY	11
VESTED PARTICIPANT	2
VESTING SERVICE	2

ACTIVE PARTICIPANT: An employee who has not incurred a Termination of Participation.

ACTUARIAL EQUIVALENT: The method used to determine equality of value of the aggregate amounts expected to be received under different forms of payment. The enrolled actuary determines equivalency using, in part, the RP-2014G Combined Health Blue Collar Mortality Table for Males and 7.25% interest.

ADMINISTRATOR: Board of Trustees, Mechanical Contractors U.A. Local 119 Pension Plan.

BOARD OF TRUSTEES: The joint employer/union Board of Trustees is the legal Plan Administrator.

Three employer trustees are appointed by the Association and three union trustees are elected by the Union membership. The Board has the authority and discretion to make the rules and regulations governing the Plan, and to interpret Plan provisions. Decisions of the Trustees are binding upon the Plan and its Participants.

COLLECTIVE BARGAINING AGREEMENT: The written agreement negotiated between Local 119 and the Mobile Mechanical Contractors Association, or an employer, which governs the working conditions, wages, benefits and other matters in connection with work performed in the Jurisdiction of Local 119.

CONTRIBUTIONS: The payment an Employer is obligated to make to this Plan on behalf of an employee, according to the terms of the Collective Bargaining Agreement or other written agreement between an Employer and the Trustees.

CONTRIBUTING EMPLOYER: Any employer required to make Contributions to this Plan according to the terms of the Collective Bargaining Agreement or other written agreement between Local 119 and an Employer.

COVERED SERVICE: Any employment during which the employee has been employed by an Employer who makes or is required to make Contributions with respect to such employment to the fund under the terms of the Collective Bargaining Agreement or other written agreement.

ELIGIBLE SPOUSE: Your legal spouse to whom you have been married at least one year ending on the earlier of the Participant's retirement date or on the date of the Participant's death. The term legal spouse does not include a common law spouse.

EMPLOYER: A business which is bound by the Collective Bargaining Agreement or other written agreement with Local 119 or the Board of Trustees to make Contributions to this Trust Fund on behalf of its employees.

JURISDICTION OF LOCAL 119: The geographical area recognized by the Secretary of Labor and under the Collective Bargaining Agreement as the territorial jurisdiction of Local 119. This area is defined as: Mobile, Baldwin, Washington, Escambia, Monroe, Conecuh, Covington, Clarke, and the southern half of Choctaw and Wilcox counties of Alabama.

LOCAL 119: Local No. 119 of the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada.

PARTICIPANT: One who is qualified as:

- 1) An employee who has worked at least 435 Hours of Service in a Plan Year;
- 2) An employee who has completed the Vesting requirements (Vested Participant);
- 3) An employee who has not incurred two consecutive One-Year Breaks-in-Service;
- 4) An employee who has a Vested interest in an Individual Account under the 414(k);
- 5) Any Retiree; or
- 6) Any person entitled to receive benefits in the future as a beneficiary.

PLAN: The Mechanical Contractors U.A. Local 119 Pension Plan.

PLAN MANAGER: The administrative manager hired by the Board of Trustees to conduct the day-to-day activities of the Plan, according to the terms and conditions established by the Trustees in the legal Plan documents.

PLAN YEAR: The 12-month period from January 1st through December 31st of any given year.

RETIREE: An individual who is receiving pension benefits under this Plan, usually as a former employee. In some cases this term may also include the beneficiary of a former employee.

SEVERANCE FROM EMPLOYMENT: Under IRS Code Section 401(a) and 409A and Private Letter Ruling 201147038 requires a Severance from Employment for certain situations such as, to qualify for an Early Retirement. The Pension Plan has established that a Severance from Employment is a period of 30 days from the Retirement date from which no work is performed with a contributing Employer or any related employer that is a member of a controlled group. ^[3.05(B)(2)]

Failure to represent and comply with the severance from employment rule will result in the Early Retirement becoming null and void requiring repayment of any Early Retirement benefits paid.

TRUST, TRUST FUND, OR FUND: The entire trust estate of the Mechanical Contractors U.A. Local 119 Pension Fund.

UNION: Used in this booklet in reference to the Local No. 119 of the International United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada.

HISTORY OF CONTRIBUTION RATE

Date	DB	414(k)	Total	Allocation
07/15/1965	\$0.10	\$0.00	\$0.10	N/A
07/15/1969	\$0.15	\$0.00	\$0.15	N/A
07/15/1970	\$0.25	\$0.00	\$0.25	N/A
07/15/1972	\$0.35	\$0.00	\$0.35	N/A
07/15/1974	\$0.45	\$0.00	\$0.45	N/A
07/15/1976	\$0.55	\$0.00	\$0.55	N/A
07/15/1977	\$1.10	\$0.00	\$1.10	N/A
07/15/1981	\$1.20	\$0.00	\$1.20	N/A
07/15/1983	\$1.25	\$0.00	\$1.25	N/A
07/15/1985	\$1.30	\$0.00	\$1.30	N/A
01/15/1994	\$1.40	\$0.00	\$1.40	N/A
07/15/1997	\$1.50	\$0.00	\$1.50	N/A
01/15/1998	\$1.55	\$0.00	\$1.55	N/A
09/01/2001	\$1.55	\$0.50	\$2.05	\$2.00
01/15/2003	\$1.95	\$0.50	\$2.45	\$2.40
01/15/2005	\$1.95	\$0.60	\$2.55	\$2.40
01/15/2006	\$1.95	\$0.75	\$2.70	\$2.40
01/15/2007	\$1.95	\$1.00	\$2.95	\$2.40
01/15/2008	\$1.95	\$1.55	\$3.50	\$2.40
06/01/2008	\$2.50	\$1.00	\$3.50	\$2.95
07/23/2009	\$4.00	\$0.50	\$4.50	\$4.45
01/23/2010	\$4.00	\$1.00	\$5.00	\$4.45
07/23/2010	\$4.00	\$1.25	\$5.25	\$4.45
01/23/2011	\$4.00	\$1.70	\$5.70	\$4.45
08/01/2011	\$5.00	\$0.70	\$5.70	\$5.45
08/01/2012	\$5.80	\$0.10	\$5.90	\$6.25
01/20/2014	\$5.80	\$0.50	\$6.30	\$6.25
08/01/2014	\$6.02	\$0.28	\$6.30	\$6.47
08/01/2015	\$6.24	\$0.06	\$6.30	\$6.69
08/01/2016	\$6.46	\$0.00	\$6.46	\$6.91

DB: Defined Benefit pension plan component.

414(k): Negotiated rate (if any) for contributing Employers as set in the Collective Bargaining Agreement.

Allocation or Defined Benefit Allocation: Rate set by the Trustees for allocating reciprocal contributions first to the Defined Benefit component with the excess credited to the 414(k) account.