Carpenters Retirement Plan of Western Washington

REVISED JULY 1, 2018

CARPENTERS TRUSTS
of Western Washington

NOTICE

The Board of Trustees has the authority to administer the plan and to amend or modify the plan in such manner as they determine will promote efficiency, economy, better coverage, and better service for those affected thereby.

The Trustees also have the discretionary authority and exclusive right to construe the provisions of the plan and to resolve any and all questions pertaining to administration, eligibility, and benefit entitlement, including the right to remedy possible ambiguities and inconsistencies or omissions.

Only Carpenters Retirement Trust of Western Washington represents the Trustees in administering the plan and providing benefit information relating to the amount of benefits, eligibility, and other plan provisions. No union employee, including union officers and business agents, no employer or employer representative, and no representative of any other organization is authorized to give information, interpret the plan or commit the Trustees on any matter. Any construction or determination by the Trustees made in good faith shall be conclusive on all persons affected thereby. In all cases the terms of the plan govern.

For additional information or assistance, please call or write Carpenters Retirement Trust of Western Washington at the address and telephone numbers below.

Carpenters Retirement Trust of Western Washington
PO Box 1929
Seattle, WA 98111-1929
(206) 441-6514 Seattle Area
(800) 552-0635 Nationwide

www.ctww.org

Northwest Carpenters Retirement Plan

Summary of Material Modification

Purpose of Notice

The purpose of this notice is to advise you the Board of Trustees amended the following rules in the Northwest Carpenters Retirement Plan:

- Credited Future Service
- Break In Service
- Normal Retirement Age
- Benefit or Accrual Factor
- Early Retirement Reduction Factors
- Single Life Benefit
- Late Retirement Increases
- Disability Qualifications and Benefits
- Preretirement Death Benefits
- Post-Retirement Service
- Trade Show

These changes were made as a result of the July 1, 2021 merger of the Carpenters Retirement Plan of Western Washington (the "Washington Plan" below) and the Oregon-SW Washington Carpenter-Employers Retirement Plan (the "Oregon Plan" below). The Board amended the Washington Plan and renamed it the Northwest Carpenters Retirement Plan effective January 1, 2022. To describe how the changes affect different groups of participants, we refer to participants in the Washington Plan prior to July 1, 2021 (the "merger date") as "Legacy Washington Participants" and participants in the Oregon Plan prior to the merger date as "Legacy Oregon Participants."

The changes below took effect January 1, 2022.

Credited Future Service

Effective for hours worked on and after January 1, 2022, all participants – Legacy Washington Participants as well as Legacy Oregon Participants – will earn 0.25 years of credited future service for 300-499 hours of work in a plan year. Credited future service is earned on a plan year basis. In the Northwest Carpenters Retirement Plan, the plan year coincides with the calendar year.

Under the Northwest Carpenters Retirement Plan participants earn vesting credit and credit toward rule of 80 early retirement based on the following schedule:

Hours of Service In A Calendar Year	Credited Service
Prior to January 1, 2022	
1,000 or more hours	1.00 credit
750–999 hours	0.75 credit

500–749 hours	0.50 credit
Effective January 1, 2022 (New for Legacy Washington Participants)	
300-499 hours	0.25 credit

Legacy Oregon Participants earned 0.25 credits in a plan year in which they earned 300-499 hours under the Oregon Plan and will continue to do so in the Northwest Carpenters Retirement Plan but, as noted above, the plan year coincides with the calendar year.

Break In Service

Effective January 1, 2022, a participant will incur a break in service in a plan year if he or she works less than 300 covered hours.

Prior to January 1, 2022, a Legacy Washington Participant incurred a one-year break in service if he or she worked less than 500 hours in a plan year. If, prior to vesting, a participant incurs five consecutive breaks in service, hours, credits and contributions will be forfeited.

Effective January 1, 2022, Legacy Oregon Participants will incur a one-year break in service in a plan year on the same basis as they had in the Oregon Plan, but as noted above the plan year coincides with the calendar year.

Vesting at Normal Retirement Age

Normal retirement age under the Northwest Carpenters Retirement Plan is age 65.

Prior to January 1, 2022, a Legacy Washington Participant who had not yet vested under the Plan's three-year vesting rule at age 65, reached his or her Normal Retirement Date on the later of the date he or she reached age 65 or the fifth anniversary of commencing participation in the Plan without an intervening permanent break in service.

Effective for retirements on and after January 1, 2022, the fifth anniversary rule no longer applies. Legacy Washington Participants who do not vest based under the Plan's three-year vesting rule, but reach age 65, will be vested and eligible to retire. This change applies to all benefits – traditional and sustainable income benefits – for Legacy Washington Participants.

Legacy Oregon Participants have always vested at age 65 if they do not satisfy the three-year vesting rule. No change occurred for Legacy Oregon Participants.

Benefit or Accrual Factor

Effective January 1, 2022, the sustainable income benefit accrual factor for all participants – Legacy Oregon Participants as well as Legacy Washington Participants is 0.87%. This is an increase for Legacy Oregon Participants from 0.83%. There is no change for Legacy Washington Participants.

Regular Early / Special Early Retirement Reduction Factors

The regular early and special early retirement reduction factors for all participants – Legacy Washington Participants and the Legacy Oregon Participants – were made the same for the sustainable income benefit earned under both plans. This includes sustainable income benefit accruals before the merger date. There is no change to the early retirement factors applied to the traditional benefits.

Regular early retirement (participants not meeting the Plan's activity test): The Washington Plan factors have been adopted. Because the Washington Plan factors are more generous, this increases the early retirement monthly benefit for Legacy Oregon Participants retiring on and after January 1, 2022. There is no change for Legacy Washington Participants or to traditional benefits.

Special early retirement (participants meeting the Plan's activity test): The Oregon Plan factors have been adopted. Because the Oregon Plan factors are more generous, this increases the early retirement monthly benefit for Legacy Washington Participants retiring on and after January 1, 2022. There is no change for Legacy Oregon Participants or to traditional benefits.

Eligibility for special early retirement (participants meeting the Plan's activity test): The Washington Plan eligibility requirement of three years of service to be eligible for special early retirement has been adopted. Legacy Oregon Participants who meet the activity test and retire on and after January 1, 2022 will need three years of service to be eligible for special early retirement instead of ten years that were required under the Oregon Plan. There is no change for Legacy Washington Participants or to traditional benefits.

Single Life Benefit

Under the Northwest Carpenters Retirement Plan the single life benefit provides a five-year guaranteed benefit for a participant's sustainable income benefit. This means if the retiree dies prior to the payment of the first 60 payments, his or her beneficiary will receive the remaining payments until a total of 60 payments have been made.

Effective January 1, 2022, this applies to all sustainable income benefits earned by Legacy Oregon Participants, including benefits earned before the merger date. For retirements that occurred prior to January 1, 2022, the single life benefit in the Oregon Plan provided a lifetime monthly benefit for the retiree but no guaranteed payments for a surviving spouse or beneficiary.

There is no change to this benefit for Legacy Washington Participants or to the traditional benefits for Legacy Oregon Participants.

The Log Scaler Plan, which is part of the Oregon Plan, continues to provide multiple guarantee options for accruals earned prior to July 1, 2021.

Late Retirement Increases

If a participant retires after age 65, his or her monthly benefit is increased. The increase in the Washington Plan is 4%/year for sustainable income benefits. The 4%/year increase has been adopted for the Northwest Carpenters Retirement Plan for late retirements after January 1, 2022 and applies to all sustainable income benefits earned by Legacy Oregon Participants.

For traditional benefits earned by Legacy Oregon Participants, the actuarial equivalence rules in the Oregon Plan immediately before the merger date continue to apply. For traditional benefits earned by Legacy Washington Participants, the 6%/year increases continue to apply.

There is no change for Legacy Washington Participants.

Disability Benefits

The Northwest Carpenters Retirement Plan provides a disability benefit for participants who become totally and permanently disabled (as defined by the Plan document) before age 65, have ten years of vesting service, and meet the activity test. This benefit is payable in the single life form of payment and is age-reduced up to a maximum of 70%. Provided the participant remains totally and permanently disabled, this benefit is paid until the participant reaches age 65, at which point he or she may elect the form of their normal retirement benefit. Effective for disability retirement dates on and after January 1, 2022, the sustainable income benefit portion of this benefit will no longer be age-reduced and will be available to all participants who meet the activity test and have three or more years of vesting service. There is no change to disability as it applies to traditional benefits.

Legacy Oregon Participants continue to be eligible for the disability retirement benefit they earned under the terms of the Oregon Plan for hours worked through December 31, 2021. This benefit is paid based on a different definition of "total and permanent disability" which generally requires that a participant be considered disabled by either the Social Security Administration or Veteran's Administration. Participants may elect to receive their benefit in a single life or joint and survivor form of payment. Once elected, provided they remain totally and permanently disabled, it is paid at and after age 65.

For sustainable income benefit based on hours on and after January 1, 2022, Legacy Oregon Participants are eligible for the disability benefit provided under the Northwest Carpenters Plan.

Primary Spouse's Benefit

Effective for deaths occurring on and after January 1, 2022, Legacy Oregon Participants are eligible for a new preretirement death benefit under the Northwest Carpenters Retirement Plan.

If a participant dies prior to retirement and is vested and satisfies the Plan's activity test, the participant's spouse receives the total accrued benefit at the time of death until he or she attains age 62, then receives a 50% joint and survivor benefit, thereafter. If there is no spouse, dependent children receive this benefit until they attain age 18. This benefit improvement applies to the Legacy Oregon Participant's sustainable income benefit only.

Post-Retirement Service

Two post-retirement jobs no longer require review and are considered non-suspendable post-retirement work – a carpentry training director and building inspector for a municipality.

The Board of Trustees have approved changes to the post-retirement service rules for hours earned beginning January 1, 2023. A notice will be issued shortly describing those changes.

Trade-Show Credit In 2020

If you were a trade show participant (i.e. you worked under the Pacific Northwest Master Trade Show Agreement) in 2020 and worked 500 or more hours during the plan year beginning in 2020 (January 1, 2020 for Legacy Washington Participants or July 1, 2020 for Legacy Oregon Participants), you will receive a full year's credit for 2020 for purposes of vesting and eligibility for the rule of 80 subsidy. The service credit does not apply for benefit accruals. This action was taken by the Board of Trustees to address the disruption for trade-show workers as a result of the COVID-19 pandemic.

Northwest Carpenters Retirement Plan – By the Numbers

- The Northwest Carpenters Retirement Plan was established on January 1, 1960
- Traditional benefits accrued through December 31, 2017 (Washington Plan) and June 30, 2017 (Oregon Plan)
- Sustainable income benefits accrued from January 1, 2017 (Washington Plan) and July 1, 2017 (Oregon Plan)
- The Oregon Plan was merged with the Washington Plan effective July 1, 2021
- The plan was renamed the Northwest Carpenters Retirement Plan on January 1, 2022
- The plan was valued at $3.29 billion as of January 1, 2022
- The average age of active participants is 42
- On January 1, 2022 there were 15,284 active participants with benefits valued at $1.07 billion
- The average age of retirees is 72
- The oldest retiree is 111
- The plan currently provides a monthly benefit to 12,309 retirees, beneficiaries and alternate payees totaling $17,406,798 (June 1, 2022 payments)
- The plan is funded at 91.8% as of January 1, 2022

Northwest Carpenters Individual Account Pension Plan

As a reminder, please contact Milliman Benefits Center with questions about your account and account balance in the Northwest Carpenters Retirement Plan. Your twenty-four member Board of Trustees continues to oversee this plan and review investment options. Northwest Carpenters Trust continues to administer the plan and works with Milliman on certain administrative functions such as death and a division of benefits through Qualified Domestic Relations Orders. We strongly encourage you to register on the Milliman website to monitor your account balance: MillimanBenefits.com

Questions?

Below are the most important customer service numbers for participants and dependents. Northwest Carpenters Trusts is open and staffed from 8:00 a.m. – 5:00 p.m. PST and is also working with participants and dependents in person. No appointment is required.

Northwest Carpenters Retirement Plan

Carpenters Retirement Plan – Retirement Services (800) 552-0635

Northwest Carpenters Individual Account Pension Plan
Milliman Benefit Center – (866) 767-1212

Northwest Carpenters Health and Security Plan
Medical Eligibility and Enrollment – Participant Services (800) 552-0635
Medical and Time Loss – Claims (800) 552-0635
Life Insurance – Claims (800) 552-0635
Employee Assistance Program – First Choice (800) 777-4114

Northwest Carpenters Retirement Plan
Summary of Material Modification

Purpose of Notice

The purpose of this notice is to advise you the Board of Trustees amended the post-retirement employment and suspension rules in the Northwest Carpenters Retirement Plan. These changes are for monthly benefits earned beginning January 1, 2023.

Post-Retirement Employment and Suspension of Benefits for Monthly Benefits Earned Beginning January 1, 2023

If you are retired under the Northwest Carpenters Retirement Plan and under age 65, you can work up to 480 hours in a calendar year in the building and construction industry without your monthly benefit being suspended. If you are age 65 and older, you can also work an additional number of hours not to exceed 40 hours/month without a suspension of your monthly retirement benefit.

If you exceed the applicable monthly thresholds, your monthly benefit under this plan will be suspended when you engage in post-retirement employment as described below. Your monthly benefit will be reinstated on the first day of the month following the appropriate suspension.

Before Age 65

To be deemed retired prior to attainment of age 65, you must sever or terminate your employment with all employers that contribute to the Trust. To sever or terminate employment with an employer, you must not have an arrangement to resume employment with that employer.

If you retire and subsequently work anywhere for wages or profit in the building and construction industry your benefits are subject to suspension as described below. Building and construction industry means business activities of the types engaged in by any employers maintaining the plan. Work means work of the type performed by employees covered by the plan or work which requires, directly or indirectly, the use of the same skills employed by an employee at any time under the plan.

If you work 480 hours or less in a calendar year, your monthly benefit from this plan will not be suspended. This is known as the "480 Hour Rule." If you work more than 480 hours in a calendar year, and you are under age 65, three months of retirement benefits will be suspended effective the first of the month following the month you exceeded 480 hours. For each month in which you work one or more hours thereafter, an additional one month of benefits will be suspended. Suspended means benefits will be withheld and no longer payable.

When you resume retired status following your suspension, your monthly benefit is recalculated. The monthly benefit you earned prior to your original retirement date resumes, plus an actuarial adjustment of the benefit not paid during the months your benefit was suspended. (The penalty that previously applied to those retirees exceeding the 480/580-hour threshold in which their entire benefit would be recalculated without the rule of 80 subsidy no longer applies for post-retirement employment beginning January 1, 2023.)

Any new monthly benefit you earned during your post-retirement employment will be payable at age 65. This new benefit amount is payable for the rest of your life or the joint lifetimes of you and your beneficiary depending on the form of payment you choose.

After Age 65

When you attain age 65, benefits are subject to suspension for work in the building and construction industry in the geographic area covered by the plan. The "480 Hour Rule" and what is known as the "40 Hour Rule" work together to determine when a benefit is suspended:

- During each calendar year, you may choose to work a total of 480 hours. During that period, there is no restriction on how many hours you may work in a specific month. Retirement benefits are not suspended if you work 480 hours or less during a calendar year.
- If you work 480 hours during a calendar year (as described above), you will be suspended for one month (for the month in which you exceed 480). If you work less than 40 hours in any month after the month the 480 hours was reached, your benefit is not suspended.
- If you work 40 hours or more in any month after the month the 480 hours was reached, your monthly benefit will be suspended accordingly.

Building and construction industry means business activities of the types engaged in by any employers maintaining the plan. Work means work of the type performed by employees covered by the plan or work which requires, directly or indirectly, the use of the same skills employed by an employee at any time under the plan.

For additional information about suspension of benefits, please see Article 6.4 in the Northwest Carpenters Retirement Plan booklet.

If you previously participated in the Oregon-Washington Carpenters-Employers Pension Plan, the rules that apply to benefits you earned prior to January 1, 2023 are the same as those that applied in that plan, administered on a calendar year basis. The rules that apply from January 1, 2023 are as described in this section. The key differences are:

- The 480-hour rule applies to all post-retirement employment, not just Covered Employment.
- You will earn additional benefits for all Hours of Service.
- Your monthly benefit payment for Hours of Service beginning January 1, 2023 will not resume each January 1 if you continue to work in post-retirement employment. You will need to contact the Trust Office once you resume retired status to begin payment of that portion of your benefit. Benefits earned in post-retirement employment after December 31, 2022 are not payable until age 65.
- The adjustment for additional accruals for Covered Employment will be made as of the first of the plan year following the year in which the benefit is earned, adjusted based on the Regular Early Retirement factors in effect on the date you resume retirement status.

Northwest Carpenters Individual Account Pension Plan

There are no suspension rules under the Northwest Carpenters Individual Account Pension Plan so retirees receiving a monthly benefit from this plan are not subject to the suspension rules described above for the Northwest Carpenters Retirement Plan.

As always, please contact Milliman Benefits Center with questions about your account and account balance in the Northwest Carpenters Individual Account Pension Plan. We strongly encourage you to register on the Milliman website to monitor your investment options and account balance: MillimanBenefits.com.

Questions?

Below are the most important customer service numbers for participants and dependents. Northwest Carpenters Trusts is open and staffed from 8:00 a.m. – 5:00 p.m. PST and is also working with participants and dependents in person. No appointment is required.

Northwest Carpenters Retirement Plan
Carpenters Retirement Plan – Retirement Services (800) 552-0635

Northwest Carpenters Individual Account Pension Plan
Milliman Benefit Center – (866) 767-1212

Northwest Carpenters Health and Security Plan
Medical Eligibility and Enrollment – Participant Services (800) 552-0635
Medical and Time Loss – Claims (800) 552-0635
Life Insurance – Claims (800) 552-0635
Employee Assistance Program – First Choice (800) 777-4114

Northwest Carpenters Retirement Plan
Summary of Material Modification
August 2023

Purpose of Notice

The Board of Trustees is providing you this notice with important information about changes in the Northwest Carpenters Retirement Plan (Plan) suspension of benefit rules.

Amendment to Suspension of Benefit Rules

The Board of Trustees ("Board") approved a ***temporary waiver*** to the Plan's Suspension of Benefit rules for work hours beginning August 1, 2023 through December 31, 2024. The waiver permits "Eligible Retirees" (as defined below) to return to employment in the building and construction industry without loss of monthly pension benefit payments provided they work for a contributing employer. Participants working in Covered Employment will earn additional benefits under the Plan's normal rules for accruing a benefit.

This temporary waiver is effective August 1, 2023 and applies only for hours worked for a contributing Employer in the building and construction industry ***through the end of 2024.*** Accordingly, during this period, a retiree may work in such employment more than 480 hours without a suspension of his or her monthly benefit payment. If benefits are already suspended for hours worked prior to August 1, 2023, monthly payments will resume as of that date and for the remainder of 2023 and 2024, regardless of the hours worked for a contributing Employer in the building and construction industry.

Beginning January 1, 2025, the generally applicable Suspension-of-Benefit rules (see reverse side of this notice) that otherwise apply for post-retirement service will apply in full.

Who is an "Eligible Retiree"? To be an Eligible Retiree under this new temporary waiver, your Retirement Date must be July 1, 2023 or earlier.

In order to establish yourself as an Eligible Retiree, you also must complete a notification and return it to Northwest Carpenters Trusts by regular mail, email Pension@CarpentersTrusts.org or fax (206) 267-0652.

If a Retiree does not provide notice to Northwest Carpenters Trusts before the last day of the calendar month following the first calendar month in which he or she first engages in Post-Retirement Service, the normal Suspension-of-Benefit rules apply.

Questions?

If you have any questions concerning this Notice, please contact Participant Services at Northwest Carpenters Trusts: (800) 552-0635 or Pension@CarpentersTrusts.org.

Suspension of Benefits Rules, Generally

If you retire and subsequently work for wages or profit in the building and construction industry your benefits are subject to suspension.

- "Building and construction industry" means business activities of the types engaged in by any employers maintaining the plan.
- "Work" means work of the type performed by employees covered by the plan or work which requires, directly or indirectly, the use of the same skills employed by an employee at any time under the plan.

If you are retired under this Plan, you can work up to 480 hours in the building and construction industry in a calendar year without your monthly benefit being suspended. This is known as the "480 Hour Rule." Thereafter, your monthly benefit payment from the Plan will be suspended when you engage in such post-retirement employment. Your monthly benefit will be reinstated on the first day of the month following the appropriate suspension, as described in the Summary Plan Description and provided in the Plan document.

Before Age 65

If you are under age 65, benefits are subject to suspension for work in the building and construction industry regardless of where you work. If you work more than 480 hours during a calendar year, three (3) months of retirement benefits will be suspended. For each month in which you work one (1) or more hours thereafter, an additional month's benefit payment will be withheld.

Retirement benefits are not suspended if you work 480 hours or less during a calendar year.

After Age 65

When you attain age 65, benefits are subject to suspension for work in the building and construction industry in the geographic area covered by the Plan. The "480 Hour Rule" and what is known as the "40 Hour Rule" work together to determine when a benefit is suspended.

If you work 480 hours during a calendar year, you may also choose to work less than 40 hours in any month after the month the 480 hours was reached without a suspension of retirement benefits. If you work 40 hours or more in any month after the month the 480 hours was reached, your monthly benefit will be suspended accordingly.

Retirement benefits are not suspended if you work 480 hours or less during a calendar year.

The Plan's Return to Work rules are set forth in detail in Section 6.4 of the Plan document.

Notification of A Temporary Exception to the Suspension of Benefit Rules for Post-Retirement Employment

Yes, I want to take advantage of the ***temporary waiver*** to the Plan's Suspension of Benefits rules approved by the Board of Trustees for work in in the building and construction industry for an Employer contributing to the Plan.

I understand that once the temporary exception applies to hours worked for a contributing Employer in the building and construction industry from August 1, 2023 through December 31, 2024. If I continue to be employed in Post-Retirement Service (as defined in the Plan) after that date, monthly payments of my Plan benefit will be suspended in accordance with the normal Suspension of Benefits rules.

Name of Employer ______________________________

Employee Classification/Position ______________________________

Print Name	Phone Number
Signature	Date
Last 4 digits of SSN	Email

Return your completed form to Northwest Carpenters Trusts via mail, fax, or email:

Northwest Carpenters Trusts
PO Box 1929
Seattle, WA 98111-1929
Fax: (206) 267-0652
Email: pension@carpenterstrusts.org

Northwest Carpenters Trusts Use Only	
Retirement Date:	Approved By:

Northwest Carpenters Retirement Plan
Summary of Material Modifications
January 1, 2024

Purpose

The purpose of this notice is to advise you the Board of Trustees amended the Northwest Carpenters Retirement Plan as follows:

- Effective January 1, 2024, all participants (including both active and retired participants), their beneficiaries and alternate payees with a Sustainable Income Benefit (SIB) shall be credited with additional SIB units (or fractions thereof) equal to 10% of the total SIB units they have earned as of December 31, 2023.

- Effective January 1, 2024, the monthly retirement income payment made to each retired participant, beneficiary, or alternate payee in pay status shall be increased for the remainder of 2024 by 10% of their monthly SIB as of December 31, 2023.

These amendments are explained below.

Supplemental SIB Units Credited Effective January 1, 2024

The Northwest Carpenters Retirement Plan was amended to provide a one-time benefit increase to participants and retirees with a Sustainable Income Benefit (SIB). The supplemental accrual is a permanent 10% increase in the number of SIB units accrued through December 31, 2023.

For example, a participant with 50 SIB units through December 31, 2023, will be awarded 5 additional SIB units on January 1, 2024.

50 units x 0.10 = 5 additional SIB units
50 + 5 = 55 SIB units on January 1, 2024

The SIB unit value for 2023 was $10.8025, based on the 2021 investment return. For the participant with 50 SIB units on December 31, 2023, the underlying benefit would have been calculated as follows:

50 units x $10.8025 = $540.13

On January 1, 2024, the SIB unit value was set to $9.3660, based the 2022 investment return. With the new unit value applied, the underlying benefit for 2024 was reduced as follows:

50 units x $9.3660 = $468.30

However, with 5 additional SIB units credited on January 1, 2024, the underlying SIB was increased to $515.13.

55 units x $9.3660 = $515.13

While the participant's SIB on January 1, 2024, increases by 10% due to the additional units, the benefit still declines from December 31, 2023, due to the lower unit value.

Should the participant retire in 2024, the underlying benefit would be shored-up for the remainder of 2024, if necessary, to the previous "high-water mark" benefit, calculated using the number of SIB units on January 1, 2024, and the unit value of $10.8025, as follows:

55 units x $10.8025 = $594.14

The unit values stated above are different for participants with SIB accruals in the legacy Oregon-Washington Carpenters-Employers Pension Plan. However, the method of applying the supplemental SIB units is identical.

In all future years, each participant's underlying SIB accrual will include these additional SIB units and will be larger than it would have been had this action not been taken by the Board of Trustees.

The supplemental SIB units will appear on the quarterly benefit statement for the period January 1, 2024, through March 31, 2024. These statements will be distributed in April.

SIB Retirement Income Amount Increased 10% for 2024

Effective January 1, 2024, the monthly SIB payment for each retiree, beneficiary, or alternate payee, determined as of December 31, 2023, will be increased by 10% for the remainder of 2024.

The monthly SIB payment for each retiree, beneficiary, or alternate payee in pay status as of December 31, 2023, is equal to the sum of their accumulated SIB units (increased by 10%, as described above) multiplied by the current SIB unit value ($9.3660), plus a shore up payment in the amount required to preserve their monthly SIB payment at its "high-water mark." This high-water mark benefit is increased by 10% for all retirees, beneficiaries, or alternate payees for the remainder of 2024. Affected payees will see this benefit increase on their monthly payments through December 1, 2024, and will receive a separate payment for any retroactive benefit amounts due since January 1, 2024.

Questions

If you have any questions or concerns about these amendments, or about the Sustainable Income Benefit in general, please contact Participant Services at Northwest Carpenters Trusts. Call (800) 552-0635 or email ps@carpenterstrusts.org. Representatives are available Monday through Friday from 8 a.m. to 5 p.m. Pacific.

September 16, 2024

Dear Participant or Dependent:

At midnight on December 31, 2024, the Northwest Carpenters trust funds for health and security benefits and pension benefits will be merging into the Southwest Carpenters benefit plans. This letter explains the impact of these mergers on your current fringe benefits.

Northwest Carpenters Health and Security Plan

The Northwest Carpenters Health and Security Trust will merge with the Southwest Carpenters Health and Welfare Plan at midnight on December 31, 2024. You should continue to use your Regence card for claims incurred through the end of 2024.

After the merger, Health and Welfare benefits (medical, prescription drug, dental, vision, and life insurance) will be administered by the Carpenters Southwest Administrative Corporation, or CSAC, in accordance with the benefit design and provisions of the Southwest Carpenters Plan.

- Any unused dollar bank balance with the Northwest Plan on December 31, 2024, will be converted to a Southwest hour bank.
- If you made advance payment for coverage such as self-pay, COBRA, or other pre-payments past December 31, 2024, any overpayment will be refunded to you.

The Southwest Carpenters Health and Welfare Plan offers a PPO plan administered by Independence Administrators, an affiliate of the Blue Cross and Blue Shield Association. The Southwest Plan also offers a Kaiser plan, which will be newly available to participants residing in Kaiser service areas of Western Washington, as well as Oregon and Southwest Washington. Oregon participants currently covered by Kaiser through the Northwest plan will have a lower deductible and out of pocket maximum on the Southwest Kaiser plan.

Although the benefits of the Southwest Plan are comparable to the Northwest Plan, there are important differences to be aware of:

- December 2024 will be the final month for individuals currently receiving time loss benefits under the Northwest Plan. The Southwest plan does not offer a similar benefit; however, the plan does offer extended coverage for periods of disability.
- Self-Contribution Coverage currently available under the Northwest plan will terminate as of December 31, 2024. The Southwest plan will offer COBRA Continuation Coverage to affected participants who qualify. Similar to the Northwest Plan, the Southwest plan also offers participants the opportunity to purchase up to twenty hours, three times a year, at the current hourly contribution rate to maintain coverage when work or reserve bank hours are insufficient.
- As previously announced, if you are enrolled in the Northwest plan, any Service-Based Subsidy, Retiree Premium Credits, or Retiree Health Reimbursement Account balance will expire on or before December 31, 2024, and will not be transferred to or available under the Southwest plan. Beginning January 1, 2025, a premium reimbursement program will be available to non-Medicare retirees and dependents who purchase individual coverage (e.g. through the Marketplace). This new Retiree Health Reimbursement Arrangement will be administered through the Southwest Trust and eligible participants will receive additional documentation by mail from CSAC.

Eligible participants can expect additional information regarding Health and Welfare benefits offered by the Southwest plan in the near future.

Northwest Carpenters Retirement Plan

The Northwest Carpenters Retirement Trust will merge into the Southwest Carpenters Pension Plan at midnight December 31, 2024. Through collective bargaining agreements, contributions for current and future hours are already being paid to the Southwest Plan. The Southwest Carpenters Pension Plan is a traditional defined benefit pension plan. This means your monthly benefit earned under the Southwest Plan will not fluctuate based on the plan's investment performance. You will receive details about this plan in a future communication.

If you have an accrued benefit under the Northwest Plan, the Traditional portion of your Northwest Plan benefit will not change. The Sustainable Income Benefit (SIB) portion will continue to be adjusted annually to reflect both positive and negative investment returns. However, beginning January 1, 2025, positive adjustments will not be limited to 6%, and negative returns will not be limited or shored up.

If you plan to retire and begin benefit payments on or before January 1, 2025, the application process with Northwest Carpenters Trusts must be completed no later than December 15, 2024. After the merger, applications for retirement should be filed with the Carpenters Southwest Administrative Corporation (CSAC).

If you are receiving a monthly benefit from the Northwest Plan, payments before January 1, 2025, will be sent from Northwest Carpenters Trusts. After January 1, 2025, payments will be sent from CSAC.

Northwest Carpenters Individual Account Pension Plan

The Northwest Carpenters Individual Account Pension Trust will merge into the Southwest Carpenters Annuity Fund at midnight on December 31, 2024. Through collective bargaining agreements, employers are now paying employer contributions to the Southwest Plan. If you work under an Oregon or Washington collective bargaining agreement, you will be allowed to continue to make voluntary pre-tax contributions to a 401(k)-plan sponsored by the Southwest Fund known as the Southwest Carpenters Retirement Savings Plan (Southwest RSP).

If you have accounts in the Northwest Plan, all accounts *except* your Elective Contribution Subaccount will be merged into the Southwest Annuity Plan. If you have an Elective Contribution Subaccount in the Northwest Plan, it will be transferred to the Southwest RSP. The Carpenters Southwest Administrative Corporation (CSAC) will provide more details in a future communication.

Northwest Carpenters Vacation Plan

The Northwest Carpenters Vacation Trust merged with the Southwest Carpenters Vacation Trust on July 1, 2024. If you worked under a contract requiring vacation contribution transfers to Qualstar Credit Union and you are not a Qualstar member, your Qualstar funds were transferred to the Southwest Carpenters Vacation Trust on July 31, 2024. You must enroll in the Southwest Carpenters Vacation Trust to access plan benefits, including vacation funds transferred from Qualstar. Plan information and enrollment documents were recently mailed to eligible participants from the Carpenters Southwest Administrative Corporation (CSAC).

More Information

You will receive more details about the Southwest plans in the coming weeks and months. Watch your mailbox for information from the Carpenters Southwest Administrative Corporation (CSAC).

Sincerely,

Board of Trustees
Northwest Carpenters Trusts

16 de septiembre del 2024

Estimado Participante o Dependiente:

A la medianoche del 31 de diciembre del 2024, los Fideicomisos de los Carpinteros del Noroeste para beneficios de salud y seguridad y beneficios de pensiones se fusionarán en los planes de beneficios de los Carpinteros del Sudoeste. Esta carta explica el impacto de estas fusiones en sus beneficios adicionales actuales.

Plan de Salud y Seguridad de los Carpinteros del Noroeste

El Fideicomiso de Salud y Seguridad de Carpinteros del Noroeste se fusionará con el Plan de Salud y Bienestar de Carpinteros del Sudoeste a la medianoche del 31 de diciembre del 2024. Usted debe continuar usando su tarjeta Regence para reclamaciones incurridas hasta finales del 2024.

Después de la fusión, los beneficios de Salud y Bienestar (seguro médico, de medicamentos recetados, dental, de visión y de vida) serán administrados por la Administración Corporativa de Carpinteros del Sudoeste, o (CSAC, por sus siglas en inglés), de acuerdo con el diseño de beneficios y las provisiones del Plan de Carpinteros del Sudoeste.

- Cualquier balance bancario en dólares no utilizado con el plan del Noroeste el 31 de diciembre del 2024 se convertirá en un banco de horas con el Plan del Sudoeste.
- Si realizó un pago por adelantado de cobertura como pago por cuenta propia, COBRA u otros pagos anticipados después del 31 de diciembre del 2024, se le reembolsará cualquier pago en exceso.

El Plan de Salud y Bienestar de los Carpinteros del Sudoeste ofrece un plan PPO administrado por Independence Administrators, una filial de Blue Cross and Blue Shield Association. El Plan del Sudoeste también ofrece un plan Kaiser, que estará disponible recientemente para los participantes que residen en las áreas de servicio de Kaiser en el Oeste de Washington, así como en Oregón y el Sudoeste de Washington. Los participantes de Oregón actualmente cubiertos por Kaiser a través del Plan del Noroeste tendrán un deducible más bajo y un máximo de gastos de bolsillo en el Plan de Kaiser del Sudoeste.

Aunque los beneficios del plan del Sudoeste son comparables al plan del Noroeste, hay diferencias importantes para tener en cuenta:

- Diciembre del 2024 será el último mes para las personas que actualmente reciben beneficios por tiempo perdido bajo el Plan del Noroeste. El Plan del Sudoeste no ofrece un beneficio similar, sin embargo, el plan sí ofrece cobertura extendida para períodos de incapacidad.
- La cobertura de autocontribución actualmente disponible bajo el Plan del Noroeste terminará a partir del 31 de diciembre del 2024. El Plan del Sudoeste ofrecerá cobertura de continuación de COBRA a los participantes afectados que califiquen. Al igual que el Plan del Noroeste, el Plan del Sudoeste también ofrece a los participantes la oportunidad de comprar hasta veinte horas, tres veces al año, a la tarifa de contribución por hora actual para mantener la cobertura cuando el trabajo o las horas de reserva del banco son insuficientes.
- Como se anunció anteriormente, si está inscrito en el Plan del Noroeste, cualquier Subsidio Basado en Servicios, Créditos de Tarifa para Jubilados o saldo de la Cuenta de Reembolso de Salud para Jubilados expirará el 31 de diciembre del 2024 o antes, y no se transferirá ni estará disponible bajo el Plan del Sudoeste. A partir del 1 de enero del 2025, un programa de reembolso de tarifas estará disponible para los jubilados y dependientes que no pertenezcan a Medicare que compren cobertura individual (por ejemplo, a través del Mercado). Este nuevo Acuerdo de Reembolso de Salud para jubilados se administrará a través del Fideicomiso del Sudoeste y los participantes elegibles recibirán documentación adicional por correo de CSAC.

Los participantes elegibles pueden esperar información adicional sobre los beneficios de salud y bienestar ofrecidos por el Plan del Sudoeste en un futuro cercano.

Plan de Jubilación de Carpinteros del Noroeste

El Fideicomiso de Jubilación de Carpinteros del Noroeste se fusionará con el Plan de Carpinteros del Sudoeste de Pensión a la medianoche del 31 de diciembre del 2024. A través de convenios colectivos, las contribuciones para las horas actuales y futuras ya se están pagando al Plan Sudoeste. El Plan de Carpinteros del Sudoeste de Pensión es un plan de pensión de beneficios definidos tradicional. Esto significa que su beneficio mensual no fluctuará en función del rendimiento de inversión del plan. Recibirá detalles sobre este Plan en una comunicación futura.

Si tiene un beneficio acumulado bajo el Plan de Noroeste, la parte Tradicional de su beneficio del Plan del Noroeste no cambiará. La porción del Beneficio de Ingreso Sostenible (SIB, por sus siglas en inglés) continuará ajustándose anualmente para reflejar los rendimientos de inversión tanto positivos como negativos. Sin embargo, a partir del 1 de enero del 2025, los ajustes positivos no se limitarán al 6%, y los rendimientos negativos no se limitarán ni se apuntalarán.

Si planea jubilarse y comenzar los pagos de beneficios el 1 de enero del 2025 o antes, el proceso de solicitud con el Fideicomiso de Carpinteros del Noroeste debe completarse a más tardar el 15 de diciembre del 2024. Después de la fusión, las solicitudes de jubilación deben presentarse ante la Administración Corporativa de Carpinteros del Sudoeste (CSAC).

Si recibe un beneficio mensual del Plan del Noroeste, los pagos antes del 1 de enero del 2025 serán enviados por el Fideicomiso de los Carpinteros del Noroeste. Después del 1 de enero del 2025, los pagos serán enviados por CSAC.

Plan de Pensión de Cuenta Individual del Noroeste

El Fideicomiso de Pensiones de Cuenta Individual de los Carpinteros del Noroeste se fusionará con el Fideicomiso de Carpinteros del Sudoeste de Anualidades a la medianoche del 31 de diciembre del 2024. A través de acuerdos de negociación colectiva, los empleadores ahora están pagando contribuciones del empleador al Plan del Sudoeste. Si usted trabaja bajo un acuerdo de negociación colectiva de Oregón o Washington, se le permitirá continuar haciendo contribuciones voluntarias antes de impuestos a un plan 401(k) patrocinado por el Fideicomiso del Sudoeste conocido como el Plan de Ahorros para la Jubilación de Carpinteros del Sudoeste (Southwest RSP).

Si tiene cuentas en el Plan del Noroeste, todas las cuentas, *excepto* su Subcuenta de Contribución Electiva, se fusionarán con el Plan de Anualidades del Sudoeste. Si tiene una subcuenta de contribución electiva en el Plan del Noroeste, se transferirá al Southwest RSP. La Administración Corporativa de Carpinteros del Sudoeste, (CSAC) proporcionará más detalles en una comunicación futura.

Plan de Vacaciones de Carpinteros del Noroeste

El Fideicomiso de Carpinteros de Vacaciones del Noroeste se fusionó con el Fideicomiso de Carpinteros de Vacaciones del Sudoeste el 1 de julio del 2024. Si trabajó bajo un contrato que requiere transferencias de contribuciones de vacaciones a Qualstar Credit Union y no es miembro de Qualstar, sus fondos de Qualstar fueron transferidos al Fideicomiso de Carpinteros del Sudoeste de Vacaciones el 31 de julio del 2024. Debe inscribirse con el Fideicomiso de Carpinteros del Sudoeste de Vacaciones para acceder a los beneficios del plan, incluidos los fondos de vacaciones transferidos desde Qualstar. La información del plan y los documentos de inscripción se enviaron recientemente por correo a los participantes elegibles por la Administración Corporativa de Carpinteros del Sudoeste (CSAC).

Más información

Recibirá más detalles sobre los planes de Sudoeste en las próximas semanas y meses. Vigile su buzón de correo para obtener información de la Administración Corporativa de Carpinteros del Sudoeste (CSAC).

Sinceramente,

Consejo Directivo
Fideicomisos de Carpinteros del Noroeste

December 16, 2024

Dear Retiree:

We are writing with an important update regarding the suspension rules of the Northwest Carpenters Retirement Plan.

As you are probably aware, the Board of Trustees approved a temporary waiver to the Plan's Suspension of Benefit rules for work hours beginning August 1, 2023, through December 31, 2024. This waiver permitted eligible retirees to return to employment in the building and construction industry and work unlimited hours for a contributing employer without a suspension of monthly pension benefit payments. This letter provides notice that the temporary waiver of suspension rules expires December 31, 2024, and the applicable suspension rules for post-retirement employment will be reinstated for all work hours beginning January 1, 2025. The rules are summarized below. Please refer to the Summary Plan Description and Plan document for the full explanation.

- Before Age 65: Benefits are subject to suspension for work in the building and construction industry, regardless of where you work. If you work more than 480 hours during a calendar year, three months of retirement benefits will be withheld. For each month in which you work one hour or more thereafter, an additional month's benefit payment will be withheld.

- After Age 65: Benefits are subject to suspension for work in the building and construction industry in the geographic area covered by the Plan. If you work 480 hours during a calendar year, you may also choose to work less than 40 hours in any month after 480 hours are reached without a suspension of retirement benefits. If you work 40 hours or more in any month after 480 hours are reached, your monthly benefit will be suspended accordingly.

Though the Northwest Carpenters Retirement Plan will be merged into the Southwest Carpenters Pension Plan at midnight on December 31, 2024, the rules of the Northwest Plan regarding post-retirement employment will continue to apply to the Northwest Plan benefit. However, as of January 1, 2025, you may qualify for a separate waiver of suspension rules offered through Southwest Carpenters Trusts if you apply and meet the following criteria:

1. You are retired and receiving a Normal, Vested, Regular, or Service Pension from the Southwest Carpenters Pension Trust, or an unreduced pension from the Northwest Plan and/or the Oregon-Washington Plan, such as Normal/Regular, Unreduced Early Retirement, or Rule of 80.

2. You are hired by an employer that is signatory to a collective bargaining agreement that requires payment of contributions to the Southwest Carpenters Pension Trust on behalf of its bargaining unit employees performing covered work.

3. Your employer has been approved in writing to offer employment to retired employees under conditions specified by the Board of Trustees.

4. You do not perform services for the employer that involve any type of covered employment that would require payment of contributions to the Southwest Carpenters Pension Trust.

5. You submit a written application to the Administrative Office of the pension plan to work without suspension of your pension, and both you and your employer agree in writing to comply with all terms specified in the agreement before you commence such employment.

This waiver, subject to renewal each year by the Board of Trustees, will sunset as of December 31, 2025, unless further extended by the Board of Trustees.

A detailed Merger Notice from the Carpenters Southwest Administrative Corporation (CSAC) was mailed to all Plan participants in early December. You may refer to the notice for additional details about how your Northwest Plan benefits will be integrated into the Southwest Plan.

If you have any questions concerning this letter prior to January 1, 2025, contact Participant Services at Northwest Carpenters Trusts: (800) 552-0635 or **pension@carpenterstrusts.org**. After January 1, 2025, contact CSAC if you have questions or wish to request an *Application for a Waiver of Suspension* form. Call (213) 386-8590 or toll-free (800) 293-1370, or email **info@carpenterssw.org**.

Sincerely,

Board of Trustees
Northwest Carpenters Retirement Trust

Aviso a los participantes que hablan español: Si tiene alguna pregunta sobre este aviso o requiere alguna otra información sobre la renuncia a la suspensión de pensión, por favor de comunicarse con Servicios para Participantes en el Fideicomiso de Carpinteros del Noroeste a: (800) 552- 0635 o **pension@carpenterstrusts.org** antes del 1 de enero del 2025. Después del 1 de enero del 2025, puede comunicarse con CSAC al (213) 386-8590 o al número gratuito al (800) 293-1370 donde habrá varios representantes bilingües que le ayudarán, o por correo electrónico a **info@carpenterssw.org**.

STATEMENT OF PURPOSE

Dear Participant and Family:

The Carpenters Retirement Plan of Western Washington became effective January 1, 1960 and is one of two retirement plans provided as part of your negotiated fringe benefit package. The Carpenters Retirement Plan is designed to provide you, or you and your spouse or other designated beneficiary with a lifetime monthly income after you retire from the building trades. The plan is also designed to provide you, or you and your spouse or other designated beneficiary with a monthly income if you become disabled prior to your retirement. The plan may also provide your spouse or other designated beneficiary a benefit if you die prior to your retirement. The plan was established and is administered by a Board of Trustees. An equal number of employee and employer members are elected to the Board by their organizations in Western and Central Washington. The operation of the plan is governed by an agreement and declaration of trust. It provides that all funds must be used to provide pensions and related benefits to eligible participants and their beneficiaries, and for operating expenses and administrative costs.

This plan booklet is divided into two sections. The first section (pages 5-76) is the Summary Plan Description (SPD). The Summary Plan Description is a summary of plan benefits and plan provisions. The second section (pages 77-132) is the plan document. The plan document contains the legal provisions governing the plan. As you read the summary plan description you will find cross-references to the corresponding sections in the plan document. If any discrepancy exists between these two sections, the terms of the plan document govern.

This plan booklet describes the terms of the plan as in effect on January 1, 2018. If you terminated all employment covered by the plan prior to that date, the terms described in here may not apply to you. Please reference the plan booklet that you received at the time you were an active participant or contact Retirement Services at Carpenters Trusts.

We encourage you to read this booklet carefully. If you have any questions or concerns about this booklet or about the plan in general, please contact Retirement Services at Carpenters Trusts. The address and telephone numbers are on the back cover of this booklet.

Board of Trustees
Carpenters Retirement Trust
of Western Washington

TABLE OF CONTENTS

PAGE

CARPENTERS RETIREMENT PLAN AT A GLANCE

This section is an overview of the benefits provided by the Carpenters Retirement Plan of Western Washington. These benefits are further described in the summary plan description on pages 5-76 and the plan document on pages 77-132. If any discrepancy exists between these three sections, the terms of the plan document govern. This plan booklet describes the terms of the plan as in effect on January 1, 2018. If you terminated all employment covered by the plan prior to that date, the terms described in here may not apply to you.

If you have any questions about this plan, please contact Retirement Services at Carpenters Trusts. The address and telephone numbers are on the back cover of this booklet.

PARTICIPATION

You participate in the Carpenters Retirement Plan when you work for an employer signatory to a collective bargaining or written contribution agreement recognized by the Board of Trustees. Signatory employers are required to make an hourly contribution to this plan for each hour of service. The hourly contribution amount can change from year to year as determined by the collective bargaining agreement or written contribution agreement (please see "Participation" on page 7 and "Contributions" on pages 15-17).

ELIGIBILITY

You earn a permanent right to a retirement benefit as soon as you become vested. There is a three-year vesting requirement for all ERISA-mandated retirement benefits provided by this plan. There is a five- and ten-year vesting requirement for other benefits provided by this plan. You earn one year of credited service in this plan for each calendar year in which you work 1,000 or more covered hours (please see "Credited Service" page 7).

MONTHLY BENEFIT

This plan is a "defined benefit plan" which means you earn a benefit that will provide monthly income payable at retirement for the rest of your life. Your monthly retirement income is the sum of two benefits:

- The traditional income benefit is that portion of your benefit accrued before January 1, 2017.
- The sustainable income benefit is that portion of your benefit accrued on and after January 1, 2017.

The factors that determine the amount of your monthly traditional income portion of your benefit are the number of years you work for a signatory employer before 2017 and the number of hours you work in each of those years. The monthly benefit earned each year is determined by a formula that multiplies the hourly contributions made on your behalf each year by a benefit factor. The benefit factor converts these contributions into a monthly benefit.

For the sustainable income benefit portion of your benefit, the factors that determine the amount of your monthly benefit are the number of years you work for a signatory employer after 2016, the number of hours you work in each of those years, and the plan's investment returns. Sustainable income benefits are subject to the investment performance of the plan during your career and after you retire (please see "Sustainable Income Benefits" on pages 19-22).

In general, the more you work and the longer you work, the larger your monthly benefit will be.

When you retire, your total monthly benefit is the sum of the monthly benefits earned each year during your career in covered service (please see "Credited Service" on page 7 and "Benefit Statements" on page 22).

RETIREMENT

The normal retirement age for this plan is 65. If you meet certain eligibility requirements, the plan provides unreduced benefits beginning at age 55 under rule of 80 early retirement (please see "Rule of 80 Early Retirement" on pages 33-35) and at age 62 under special early retirement (please see "Special Early Retirement" on pages 30-33). Benefits are ***not*** payable until you retire and apply for benefits (please see "Election Process" on page 25).

PAYMENT OPTIONS

This plan provides a lifetime income to you, or a lifetime income to you with a continuing income to your spouse or other designated beneficiary if you pre-decease your spouse or beneficiary (please see "Retirement Payment Options" on pages 35-38). Your monthly benefit is adjusted to reflect the payment option selected.

DISABILITY RETIREMENT BENEFITS

If you become permanently disabled before retirement, you may be eligible for a monthly income under disability retirement. To qualify for disability retirement, you must satisfy the ten-year vesting rule, the activity test and be permanently disabled, as defined by this plan (please see "Disability Retirement" on pages 53-59).

DEATH BENEFITS BEFORE RETIREMENT

If you are vested in this plan and die before retirement, your surviving spouse or other designated beneficiary may be eligible for one of three pre-retirement death benefits (please see "Death Benefits Before Retirement" on pages 61-64).

Service-Related Issues

If you are new to this plan and not vested...

- The Carpenters Retirement Plan is one of two pension plans provided as part of your fringe benefit package. The other plan is the Carpenters Individual Account Pension Plan.
- This plan is a "defined benefit plan" which means it provides you with a lifetime monthly benefit when you retire (age 55 and older).
- This plan has a three-year vesting requirement which means you must have three credits in this plan without incurring a permanent break in service.
- If you cannot work 500 or more hours in a given year, it is important for you to understand the break in service rules. You can permanently forfeit credits and contributions if you do not vest within a certain period of time.
- Once you are vested, you are guaranteed a monthly benefit at retirement.
- Retirement benefits are not available until you are age 55 or older, except for qualified permanent disabilities and preretirement death benefits.

If you are vested in this plan...

- The more you work for a contributing employer, the greater your lifetime monthly retirement benefit.
- Your monthly benefit is also based on the actuarial experience of the plan during your career, including the plan's investment performance while you are working and in your years of retirement.
- The income provided by the two retirement plans, social security and your personal savings should form the foundation of your retirement income.
- You are strongly encouraged to maximize your personal savings to compensate for the uncertainties associated with inflation and the cost of retiree medical care. The Carpenters Individual Account Pension Plan allows you to contribute a portion of your wages on a pre-tax basis under the 401(k) provision.

If you are vested and age 55 or older...

- Benefits are payable under this plan if you are vested in this plan and age 55 and older.
- Your total monthly benefit is reduced if you retire before age 65, except when you retire at age 62-64 under special early retirement or when you retire under rule of 80 early retirement.

CREDITED SERVICE AND VESTING

Summary

This section describes how you participate in the Carpenters Retirement Plan and how you become vested in this plan. This section also describes money follows the carpenter, breaks in service, how breaks in service can be avoided or repaired, and forfeitures.

Topics Discussed In This Section

PARTICIPATION

You participate in the Carpenters Retirement Plan when you work for employers that are signatory to a collective bargaining agreement recognized by the Board of Trustees and that agreement requires contributions to this plan on your behalf. You also participate in this plan if you are employed with a union or employer that is signatory to a written contribution agreement recognized by the Board of Trustees and that agreement requires contributions to this plan on your behalf. You remain a participant in this plan until your death unless you incur a permanent break in service (please see "Breaks In Service and Termination" on page 10).

✦ For additional information about participation, please see Article 1.16 on page 84 and Article 3.1 on page 85.

CREDITED SERVICE

If you worked or work in Western or Central Washington on or after January 1, 1960 under a collective bargaining agreement for which contributions are required to the plan, or if you work or worked in other geographic areas but had contributions sent to this plan under money follows the carpenter, you are entitled to credited service based on the schedule below:

Hours of Service In A Calendar Year	Credited Service
1,000 or more hours	1.00 credit
750–999 hours	.75 credit
500–749 hours	.50 credit

Credited service is important because it determines your vesting status with this plan (please see "Vesting" on pages 8-9) and eligibility for rule of 80 early retirement (please see "Rule of 80 Early Retirement" on pages 33-35). Vesting is important because you ***must*** vest in this plan within a certain period of time or risk forfeiting credited service and any corresponding contributions (please see "Breaks In Service and Termination" on page 10).

Each year you work under this plan counts toward your total monthly benefit based on the number of hours you worked, the hourly contribution rate, the benefit factor for that year of service and, for sustainable income benefits, the investment performance of the plan.

The following employment categories require employer contributions to the Carpenters Health and Security Plan of Western Washington but do ***not*** require employer contributions to the Carpenters Retirement Plan of Western Washington:

- Participants who are in the first six months of the apprenticeship program (first-period apprentices).
- Participants working under certain residential bargaining agreements.
- Participants who are in the first twelve months of the drywall utilityperson program.

If you work in one of these employment categories, you may earn credited service toward vesting even though no contributions are made to Carpenters Retirement Plan on your behalf.

✦ For additional information about credited service, please see Article 1.8 on pages 80-81 and Article 1.9 on page 82.

VESTING

Vesting means you earn a permanent right to accrued benefits even if you stop working in covered service. Vesting is based on credited service earned under this plan and, in certain circumstances, under reciprocal plans (please see "Reciprocal Plan Service" on pages 9-10). The plan has had a number of vesting rules since its inception in 1960 but there are currently three ways to become vested in this plan.

Three-Year Vesting Rule

The three-year vesting rule became effective on January 1, 2017. Three-year vesting requires three years of credited future service in this plan earned on or after January 1, 2017 and before incurring a permanent break in service. If you were not already vested under the five-year vesting rule on January 1, 2017 (please see below), you became vested on January 1, 2017 if you had three years of credited service prior to December 31, 2016, and you:

- Did not have a permanent break in service as of December 31, 2016; and
- Did not have a one-year break in service in 2016.

You may still qualify for three-year vesting if you reinstate your previously forfeited rights by earning at least 500 hours in 2017 or a later year prior to incurring a permanent break in service. If you had fewer than three years of credited service as of December 31, 2016, those years will count toward three-year vesting provided you do not have a permanent break in service.

Reciprocal service cannot be used to help satisfy three-year vesting.

✦ For additional information about three-year vesting, please see Article 3.2.1(c) on page 86.

Five-Year Vesting Rule

The five-year vesting rule was effective on January 1, 1988. Five-year vesting requires five years of credited future service in this plan earned on or after January 1, 1985. Reciprocal service cannot be used to help satisfy five-year vesting.

✦ For additional information about five-year vesting, please see Article 3.2.1(b) on pages 85-86.

Ten-Year Vesting Rule

The ten-year vesting rule was effective on January 1, 1960. Ten-year vesting requires ten years of credited service in this plan or in combination with one or more reciprocal plans. At least one of the ten years must be credited future service in this plan. Ten-year vesting is required for disability retirement (please see "Disability Retirement" on pages 53-59) and for carpenters who do not satisfy the three- or five-year vesting rule and whose service was earned under two or more jurisdictions.

✦ For additional information about ten-year vesting, please see Article 3.2.1(a) on page 85.

Key Point

You are ***not*** guaranteed a retirement benefit until you become vested in this plan. Other plan benefits such as disability retirement, the primary spouse's benefit, and certain survivor benefits are ***not*** available until you become vested in this plan and satisfy certain other activity requirements. Vested benefits are ***not*** available until you retire (age 55 and older).

RECIPROCITY AND MONEY FOLLOWS THE CARPENTER

Money Follows the Carpenter

Money follows the carpenter allows you to have hours and contributions transferred to your home trust when you temporarily work in the jurisdiction of a reciprocal trust, provided both trusts are signatory to the International Master Reciprocal Agreement. Under the Master Reciprocal Agreement, if you are a member of a local union, your home trust is the trust in which your local union participates by virtue of it collective bargaining agreements with employers. If you are not a member of a local union or you primarily work within the jurisdiction of a local union other than where you are a member, your home trust is generally the trust that received contributions for the most work you performed in the five prior calendar years. You may also submit a written request to your home trust and the reciprocal trust to change your home trust, but it will be subject to approval of both trusts.

If you work in another jurisdiction, a request to transfer contributions must be filed with your home trust within 60 days from the onset of employment in the jurisdiction of the reciprocal trust. While the home trust and the reciprocal trust may have different rules on retroactive transfers, a retroactive transfer is not allowed for hours and contributions received more than 12 months prior to the onset of employment under the reciprocal plan.

To take advantage of money follows the carpenter, please contact Participant Services at Carpenters Trusts each time you work under a reciprocal plan. Carpenters Trusts will provide you with an *Authorization To Transfer Fringe Benefit Contributions* form. This form must be completed and returned to Carpenters Trusts and the reciprocal plan as soon as possible but no later than 60 days from the onset of employment in the other jurisdiction. Money follows the carpenter is subject to the provisions of the International Reciprocal Agreement. For more information please contact Carpenters Trusts of Western Washington.

- For additional information about money follows the carpenter, please see Article 5.3 on pages 91-92.

Reciprocal Plan Service

Reciprocal plan service helps you avoid a break in service when your work is divided between two or more plans when your contributions were not transferred to this plan through money follows the carpenter (please see "Money Follows the Carpenter" above). Credited service earned under a reciprocal plan is known as reciprocal service. Reciprocal service can also be used to help satisfy ten-year vesting as well as the eligibility requirements for certain retirement and pre-retirement death benefits. Reciprocal service cannot be used to help satisfy three- and five-year vesting or rule of 80 early retirement. While reciprocal service may help you avoid a break in service or earn credit toward ten-year vesting, no contributions are made to this plan. Reciprocal plans vest and determine benefit amounts according to their own plan rules. This plan has reciprocal agreements with other retirement plans nationwide.

✦ For additional information about reciprocal service, please see Article 5 on pages 90-92.

BREAKS IN SERVICE AND TERMINATION

If you are not vested in this plan and work less than 500 hours of service in a calendar year, you incur a one-year break in service. If you are not vested in this plan and have five consecutive one-year breaks in service, you incur a permanent break in service and all credited service and any monthly benefit earned from that credited service are forfeited. Even if you become vested in this plan at a later date, previously forfeited service and contributions cannot be counted toward your retirement benefit.

This plan has two break in service rules that allow you to reinstate one-year breaks in service as described below.

✦ For additional information about breaks in service and termination, please see Article 3.3 on page 86 and Article 3.4 on page 86.

Five Year Rule

You can avoid a permanent break in service if you have at least 500 hours of service in a plan year ***before*** incurring five consecutive one-year breaks in service. For example, if you have four consecutive one-year breaks in service (years in which you worked less than 500 hours), you must have at least 500 hours in the fifth year to avoid a permanent break in service. Reinstatement is retroactive to your first year out but does not include permanently forfeited service.

✦ For additional information about the five year rule, please see Article 3.5.2 on page 87.

Rule of Parity

You can avoid a permanent break in service if you have at least 500 hours of service in a plan year ***before*** the number of consecutive one-year breaks equals your accumulated credited future service. For example, if you have seven years of credited future service and then incur six consecutive one-year breaks in service, you must have at least 500 hours of service in the seventh year to avoid a permanent break in service. Reinstatement is retroactive to your first year out but does not include permanently forfeited service. This example and the rule of parity in general apply to the ten-year vesting rule.

For additional information about the rule of parity, please see Article 3.5.1 on pages 86-87.

LEAVE OF ABSENCE

You may avoid a break in service if you were unable to work in the building and construction industry for one of the following four reasons and for a period of time not to exceed the maximum described:

- Military service for such period as required by law. You may receive credited service and benefits for qualifying military service.
- Service as an official of the international union for up to three years. You do ***not***

receive credited service or benefits for service with the international union.

- Disabling condition that prevents gainful employment in any trade for up to two years, subject to further consideration after that time if the disabling condition continues. To qualify, you must submit satisfactory proof of your disability to the Board of Trustees. You do ***not*** receive credited service or benefits for a disability leave.
- Maternity or paternity leave. You may receive up to a maximum of 501 hours of credited service in the year of the leave, if needed to prevent a break, or else in the following year contingent on returning to work after the leave. You do ***not*** receive benefits for a maternity or paternity leave.

If you need to apply for a leave of absence, please contact Retirement Services at Carpenters Trusts. Retirement Services will forward your request to the Board of Trustees and then notify you of the Trustees' determination.

✦ For additional information about a military leave, please see Article 15.7 on page 130. For additional information about other leaves of absence, please see Article 3.6 on pages 87-88.

CONTIGUOUS NONCOVERED SERVICE

You may experience changes in your career including work in noncovered service for a contributing employer. An example of noncovered service is working in a management position for a contributing employer. For the purpose of vesting, earning credit toward rule of 80 early retirement, avoiding a break in service, or maintaining activity in this plan for the purpose of qualifying for certain special benefits, you earn one year of credited future service for each year you work 1,000 or more hours in contiguous noncovered service for an employer who is otherwise required to make contributions to this plan. Noncovered service is contiguous if all of the following three conditions are met:

- The noncovered service immediately precedes or follows covered service with the same employer;
- No quit, discharge or retirement occurs between such covered service and noncovered service; and
- You provide proof of contiguous noncovered service as required by the plan.

No hourly contributions are made to this plan on your behalf for contiguous noncovered service. You do not accrue benefits with contiguous noncovered service.

✦ For additional information about contiguous noncovered service, please see Article 1.8.3 on page 81.

CALCULATING RETIREMENT BENEFITS

Summary

This section describes how your monthly retirement income is calculated under the Carpenters Retirement Plan and how you can maximize your monthly income.

Topics Discussed In This Section

DEFINED BENEFIT PLAN

The Carpenters Retirement Plan is a "defined benefit plan" which means you earn monthly retirement income payable at retirement for the rest of your life. You may also elect to provide a continuing monthly income for a spouse or other qualified beneficiary for the rest of his or her life if you predecease them.

Your monthly retirement income is the sum of:

- The traditional income benefit accrued before January 1, 2017; and
- The sustainable income benefit accrued on and after January 1, 2017.

The amount of your monthly income at retirement is primarily determined by six major factors:

- Your years of covered service in this plan;
- The hourly contribution rate each year during your years of covered service;
- The benefit factor each year during your years of covered service;
- The investment performance of the plan (in the case of your sustainable income benefit);
- Your age and service activity at retirement; and
- The income option you select at retirement.

The hourly contribution rate and benefit factor are described below.

CONTRIBUTIONS

Employers signatory to collective bargaining agreements with the Pacific Northwest Regional Council of Carpenters are required to make an hourly contribution to this plan and the Carpenters of Western Washington Individual Account Pension Plan for each compensable hour. The total hourly contribution rate for both pension plans is determined by collective bargaining. The Board of Trustees determine how much of that hourly contribution is contributed to this plan. Table 1 on pages 16-17 lists the hourly contribution rates to this plan from 1960–2018.

The 2018 hourly contribution rate to the Carpenters Retirement Plan is $5.60 and is allocated to this plan as follows:

- Funding Improvement Surcharge – This surcharge is 26% of the hourly contribution, not to exceed $1.25/hour. This surcharge is used to improve the plan's financial status.
- Sustainable Income Benefit Stabilization Reserve Surcharge – This surcharge is initially set, effective September 1, 2017, to 2.3% of the hourly contribution after reduction for the Funding Improvement Surcharge. The 2.3% surcharge will continue through May 31, 2018, and then increase over the next few years to 3.9% from June 1, 2018 through May 31, 2019, to 5.5% from June 1, 2019 through May 31, 2020, to 6.4% from June 1, 2020 through May 31, 2021, to 7.4% on and after June 1, 2021. This reserve surcharge is intended to be used to "shore-up" sustainable income benefits when the plan's investment return is less than 4%.
- Rule of 80 Surcharge – This surcharge is 16.7% of the hourly contribution after reduction for the Funding Improvement Surcharge and the Sustainable Income Benefit Stabilization Reserve Surcharge. This surcharge is used to fund the subsidy for rule of 80 early retirement.

The balance of the hourly contribution rate is used to calculate your benefit. For example, the 2018 benefit amount is $3.54/hour.

TABLE 1

Hourly Contribution Rates

The "Hourly Contribution" (third column) is the dollar amount contributed by signatory employers for each compensable hour. The "Funding Improvement Surcharge" (fourth column) is used to improve the plan's financial status. The "SIB Stabilization Reserve Surcharge" (fifth column) is used to "shore-up" sustainable income benefits when the plan's investment return is less than 4%. The "Rule of 80 Surcharge" (sixth column) is used to help fund rule of 80 early retirement. The "Net Hourly Contribution" (seventh column) is the portion of the hourly contribution rate that generates the monthly benefit.

Date From	Date To	Hourly Contribution	Funding Improvement Surcharge	SIB Stabilization Reserve Surcharge	Rule of 80 Surcharge	Net Hourly Contribution
1-1-1960	2-28-1965	$.10				$.10
3-1-1965	1-31-1967	$.15				$.15
2-1-1967	5-31-1969	$.20				$.20
6-1-1969	5-31-1972	$.25				$.25
6-1-1972	5-31-1973	$.50				$.50
6-1-1973	5-31-1975	$.60				$.60
6-1-1975	5-31-1976	$.65				$.65
6-1-1976	5-31-1978	$.70				$.70
6-1-1978	5-31-1979	$.80				$.80
6-1-1979	5-31-1980	$.85				$.85
6-1-1980	12-31-1983	$.90				$.90
1-1-1984	6-30-1989	$.80				$.80
7-1-1989	5-31-1990	$.90				$.90
6-1-1990	5-31-1991	$1.00				$1.00
6-1-1991	5-31-1992	$1.15				$1.15
6-1-1992	5-31-1993	$1.25				$1.25
6-1-1993	5-31-1994	$1.45				$1.45
6-1-1994	5-31-1995	$2.00				$2.00
6-1-1995	5-31-1996	$2.26				$2.26

TABLE 1 (continued)						
Date From	Date To	Hourly Contribution	Funding Improvement Surcharge	SIB Stabilization Reserve Surcharge	Rule of 80 Surcharge	Net Hourly Contribution
6-1-1996	5-31-1998	$2.58				$2.58
6-1-1998	5-31-1999	$2.62				$2.62
6-1-1999	5-31-2000	$2.72				$2.72
6-1-2000	11-31-2000	$2.97			$.25	$2.72
12-1-2000	5-31-2001	$3.22			$.50	$2.72
6-1-2001	5-31-2009	$3.27			$.55	$2.72
6-1-2009	5-31-2016	$4.90	$1.25		$.61	$3.04
6-1-2016	5-31-2017	$5.15	$1.25		$.65	$3.25
6-1-2017	8-31-2017	$5.60	$1.25		$.73	$3.62
9-1-2017	5-31-2018	$5.60	$1.25	$.10	$.71	$3.54

✦ For additional information about the hourly contribution rate, please see Article 1.4 on page 80 and Article 1.11 on pages 82-83.

BENEFIT FACTOR

Your total hourly contributions for each year of covered service are multiplied by a benefit factor which converts these contributions into a monthly benefit. The benefit factor has varied during the history of this plan but is set at 0.87% for 2017 and future years. The benefit factor for each upcoming plan year is determined by the Board of Trustees in consultation with the plan's actuary after consideration of the investment performance of the plan, employment and retirement trends experienced by the plan, and the overall retirement and mortality experience of the plan. The Trustees reserve the right to increase or decrease the factor depending on the actuarial requirements of the plan. The Board of Trustees can increase the benefit factor retroactively if it determines the appropriate funding is available. Benefit factors cannot be decreased retroactively, except in very limited circumstances. Table 2 (please see page 18) lists the benefit factors from 1960–2018.

✦ For additional information about the benefit factor, please see Article 6.1.2 on pages 92-94 and 6.1.3(b)(3) on page 94.

TRADITIONAL INCOME BENEFITS

Traditional income benefits refer to benefits earned under this plan from January 1, 1960 through December 31, 2016. With traditional income benefits, your monthly benefit is calcu-

TABLE 2

Benefit Factors

If you were active in this plan (and not retired before January 1, 1989) and earned at least 750 hours of covered service in this plan in the three plan years 1986-1988, then your benefit for the years of service shown below are calculated using the improved benefit factors.

If you were active in this plan but did not earn at least 750 hours of covered service in this plan in the three plan years 1986-1988, or if you retired before January 1, 1989, then your benefit for 1960-1987 is calculated using the standard benefit factors.

Benefit factors for 1988 through the present are the same for all participants.

From	To	Benefit Factors – Improved	Benefit Factors – Standard
1-1-1960	12-31-1983	4.00%	3.308%
1-1-1984	12-31-1984	4.00%	3.722%
1-1-1985	12-31-1985	4.00%	3.544%
1-1-1986	12-31-1987	4.00%	3.375%
1-1-1988	12-31-1995	5.00%	
1-1-1996	12-31-2003	4.00%	
1-1-2004	12-31-2005	2.50%	
1-1-2006	12-31-2007	2.00%	
1-1-2008	12-31-2016	1.50%	
1-1-2017	Current	0.87%	

lated by multiplying the employer contributions earned each calendar year by the appropriate benefit factor. The benefits you accrue each year are added together to provide your total traditional income benefit. This amount may be reduced for early retirement and a joint and survivor benefit but otherwise does not change once the benefit is accrued.

- For additional information about traditional income benefits, please see Article 6.1.2 on pages 92-94.

Example

If you accrued a monthly benefit of $100 for each year of work from 1997–2016, your total traditional income benefit would be $2,000.

20 years x $100/year = $2,000

The annual benefit earned each year varies depending on the number of hours you work, the hourly contribution rate and the benefit factor, as discussed above.

SUSTAINABLE INCOME BENEFITS

Sustainable income benefits refer to benefits earned from January 1, 2017 forward. With sustainable income benefits, the starting point for your monthly benefit is calculated by multiplying the employer contributions earned in a calendar year by the appropriate benefit factor. The sustainable income benefit is earned in units. Once you are vested, your sustainable income benefit units are guaranteed.

The value of your sustainable income benefit units adjusts each year with the plan's investment returns. Your underlying benefit at any given point in time is the product of your total sustainable income benefit units multiplied by the then current unit value.

Sustainable Income Benefit Units and Investment Returns

Each year on January 1, the value of your sustainable income benefit units are subject to the investment performance of the plan for the second calendar year preceding the current year as expressed in the formula below:

If the plan earned more than 4% (the plan's "hurdle rate"), your underlying benefit increases with a maximum increase of 6% (the plan's "cap rate"), consistent with the adjustment to the unit value.

If the plan earns less than the hurdle rate, the value of your sustainable income benefit units decreases. This would also result in a reduction of your underlying benefit. However, the Board of Trustees established a benefit stabilization reserve fund to allow the Board to "shore-up" sustainable income benefits at participants' high water mark benefit. If a "shore-up" is needed, it must be approved by the Board of Trustees.

The sustainable income benefit units you earn each year are added with those earned in previous years to give you your total sustainable monthly benefit. This amount can be reduced for early retirement and a joint and survivor benefit. Your sustainable income benefit payable at retirement continues to be subject to the investment performance of the plan as described above.

✦ For additional information about sustainable income benefits and investment performance, please see Article 6.1.3 on pages 94-95.

$$\text{Current Unit Value} \times \frac{\text{1+Plan's Investment Return (not to exceed 10.24\%)}}{\text{1+Hurdle Rate}} = \text{New Unit Value}$$

Example

If you accrue a monthly benefit of 6.0000 units for each year of work from 2017–2036, your underlying sustainable income benefit would be 120.0000 units. Assuming a $10.0000 unit value, your monthly benefit would be $1,200 for the calendar year.

20 years x 6.0000 units/year x $10.0000 = $1,200

Sustainable Income Benefit Definitions

The following definitions apply to sustainable income benefits:

Annual accrual – The sustainable income benefit you earn for each year you work in covered service, based on the benefit factor and contributions due or made on your behalf, denominated as units based on the then current unit value.

Underlying benefit – The sustainable income benefit, expressed as units at the then current unit value, accrued without regard to any shore up that may be provided by the stabilization reserve.

High water mark benefit – This is the highest sustainable income benefit paid or payable to date.

Hurdle rate – The investment return threshold of 4% that must be reached to increase the unit value of your underlying sustainable income benefit.

Cap rate – The plan's unit value will not be increased by more than 6% even when investment returns are greater than 10.24%.

Stabilization reserve and surcharge – The money the plan holds in reserve that is intended to be used to "shore up" your sustainable income benefit following years with investment returns of less than 4%.

Benefit Adjustment Date

On January 1 every year, your accrued sustainable income benefit will be adjusted based on the investment returns from two years ago. For example, the January 1, 2019 adjustment will be based on 2017 investment returns. Retirees will receive advance notice before their benefit changes on January 1. The first adjustment was on January 1, 2018.

- For additional information about the sustainable income benefit adjustment date, please see Article 6.1.3 on pages 94-95.

Calculations

You have an underlying benefit of 100.0000 sustainable income benefit units. Valued at $10.0000/unit, this is an underlying benefit of $1,000/month. If the plan's investments for the second calendar year preceding the current calendar year earn 7.12%, your underlying benefit will increase to $1,030/month beginning with your upcoming January 1 monthly benefit:

$$\frac{\$1{,}000 \text{ x } (1+0.0712)}{(1+0.04)} = \$1{,}030$$

Where $1,000 is the current monthly underlying benefit
Where 0.0712 is the 7.12% investment return
Where 0.04 is the 4% hurdle rate
Where $1,030 is the new monthly sustainable income benefit

If the plan's investments for the next calendar year earn 4%, no adjustment is made to your underlying benefit beginning January 1 of the following year:

$$\frac{\$1{,}030 \text{ x } (1+0.04)}{(1+0.04)} = \$1{,}030$$

Finally, if the plan's investments for the year after that earn 0.97%, your underlying benefit will decrease to $1,000 per month beginning January 1 of the following year:

$$\frac{\$1{,}030 \text{ x } (1+0.0097)}{(1+0.04)} = \$1{,}000$$

However, $30/month from the stabilization reserve (please see below) may be used to "shore up" to your high water mark benefit so you will continue to receive $1,030/month. The stabilization reserve would be used until your underlying benefit equals or exceeds your high water mark benefit.

In no case will this annual adjustment increase the benefit by more than 6%. When plan investment returns are greater than 10.24% ($^{1.1024}/_{1.04} - 1 = 6\%$), the benefit increase will be 6% and the returns in excess of 10.24% will be used to build the stabilization reserves to be used in the future, at the discretion of the Board of Trustees.

Each year, the benefit adjusts with investment returns. That means your retirement benefit has the potential to grow throughout your career and retirement.

Stabilization Reserve

To reduce the impact of investment downturns on participants' sustainable income benefits, the Board of Trustees has established a stabilization reserve that can be used to prevent sustainable income benefits from decreasing whenever the unit value declines (leading to the underlying benefit being less than the high water mark). In

Example

During the 2017 plan year, you accrued a sustainable income benefit of $55.00. On January 1, 2018, your sustainable income benefit was adjusted for the plan's investment returns in 2016 relative to the plan's 4% hurdle rate. The plan's 2016 audited financials reflect a 5.13% return. Accordingly, your sustainable income benefit is adjusted January 1, 2018 as follows:

$$\frac{\$55 \text{ x } (1+5.13\%)}{(1+4\%)} = \$55.60$$

Your 2017 sustainable income benefit will next be adjusted on January 1, 2019, along with the sustainable income benefit you earned in 2018.

years when investment returns are particularly high (above 10.24%), benefit increases will be limited to the cap rate of 6%. The excess returns will help build the stabilization reserve. That reserve money is intended to be used to shore up benefits in years when investment returns are less than 4%. If a shore-up is required, it must be approved by the Board of Trustees.

Although it is unlikely, if the stabilization reserve is not sufficient, the underlying benefit would be paid.

- For additional information about the stabilization reserve, please see Article 6.1.3 on pages 94-95.

BENEFIT STATEMENTS

A *Quarterly Benefit Statement* is mailed to you four times each year with updated information about your benefit. The benefit statement lists, on a year-by-year basis, the number of hours reported to the plan on your behalf, the contributions received by the plan on your behalf, the benefit factor, the unit value, units purchased on your behalf, your current monthly benefit, your high-water mark benefit, and the shore-up benefit, if applicable. Information about the stabilization reserve is also provided. We encourage you to review the information on your benefit statement and notify Retirement Services at Carpenters Trusts if you have questions or concerns.

QUALIFIED DOMESTIC RELATIONS ORDER (QDRO)

If you were divorced at any time during your career as a carpenter and your divorce decree or property settlement agreement calls for a division of benefits under the Carpenters Retirement Plan and/or the Carpenters Individual Account Pension Plan, the plans will require a Qualified Domestic Relations Order (QDRO). A QDRO allows for the accurate division of these benefits under this plan. Please contact Retirement Services at Carpenters Trusts for assistance with this process. The QDRO procedures are in Article 13.2 on pages 127-128. A sample QDRO is available on the Carpenters Trusts website: www.ctww.org.

ELECTION PROCESS AND RETIREMENT OPTIONS

Summary

This section describes how you apply for retirement benefits under the Carpenters Retirement Plan and the various income options available to you and your spouse or other qualified beneficiary.

Topics Discussed In This Section

QUALIFICATIONS

Retirement benefits are payable under the Carpenters Retirement Plan if you satisfy all of the following requirements:

- You are vested in this plan;
- You are age 55 or older; and
- Your completed election forms and other required documents have been received by Carpenters Trusts.

Normal retirement is available to participants age 65 and older. There are also three types if early retirement for participants age 55-64. There are four income options including a monthly benefit for your life only and three monthly benefits that provide a continuing income for your spouse or qualified beneficiary if you predecease your spouse or beneficiary.

ELECTION PROCESS

To apply for retirement benefits under this plan, please use the following guidelines:

1. You must contact Retirement Services at Carpenters Trusts approximately two months before the month you want to retire. For example, if you want to retire effective March 1, 2019, you should contact Retirement Services by January 1, 2019.
2. Retirement Services will mail you a *Carpenters Retirement Plan Explanation of Payment Options and Election of Retirement Benefits* form and related documents. You must complete these forms as soon as possible and return them to Retirement Services at Carpenters Trusts within the timeline described on the election forms. Your *Carpenters Retirement Plan Explanation of Payment Options and Election of Retirement Benefits* form must be completed in the presence of a notary public. In general, your retirement date is the first of the month following timely receipt of your completed election forms and other required documentation.
3. You must also provide the following documents:
   - Proof of your date of birth (preferably a birth certificate or passport).
   - If you elect a joint and survivor benefit, proof of your spouse's or beneficiary's date of birth.
   - If you are married at retirement, a copy of your marriage certificate.
   - If you have divorced at any time during your career as a carpenter, you must also submit a copy of your divorce decree, property settlement agreement and domestic relations order (if applicable). These documents are used to process your application only and are maintained under strict privacy guidelines.
4. You may elect to receive your monthly benefit as a direct deposit into your checking or savings account or as a paper check. Your direct deposit payments are deposited in your bank account on the first business day of each month. Your paper check is processed and mailed so it is received on the first business day of the month.

✦ For additional information about the election process, please see Article 6.8 on pages 102-104.

Key Point

Social Security benefits are currently payable as early as age 62. Please contact the Social Security Administration at least three months before the date you want Social Security benefits to begin. You can start the Social Security application process by calling: (800) 772-1213. They will schedule an appointment for you at your local Social Security office.

Medicare benefits are currently available at age 65. You automatically apply for Medicare Part A (hospital benefits) when you apply for Social Security benefits. You must apply for Medicare Part B (medical benefits) before your 65th birthday or incur a permanent premium penalty. You must apply for Part B even if you have dollar bank eligibility under the Carpenters Health and Security Plan of Western Washington.

NORMAL RETIREMENT

Eligibility and Retirement Date

To be eligible for normal retirement you must be:

- Vested in this plan;
- Age 65 or older; and
- You must cease working in the building and construction industry in the geographic area covered by this plan for 40 hours or more during a calendar month or during a four- or five-week payroll period ending in a calendar month.

Your retirement date is the first of any month following your 65th birthday and satisfaction of the eligibility requirements.

✦ For additional information about normal retirement eligibility, please see Article 4.1 on page 88.

Monthly Benefit

Under normal retirement, your monthly income is your monthly traditional income benefit plus your monthly sustainable income benefit less the appropriate reduction for a joint and survivor benefit (if applicable). The traditional income benefit joint and survivor factors are listed in Table 7 on page 45. The sustainable income benefit joint and survivor factors are subject to change each year and are available on the Carpenters Trusts website: www.ctww.org.

If you retire after age 65, your monthly traditional income benefit is increased by one-half percent for each month your retirement is delayed after age 65. Your monthly sustainable income benefit is increased by one-third percent for each month your retirement is delayed after age 65.

The examples on the next page illustrate how to calculate a normal retirement income.

Retirement benefits are taxable income. Carpenters Trusts will provide you with a *Form 1099-R* in late January of each year for the upcoming April 15 tax deadline.

✦ For additional information about the monthly benefit available under normal retirement, please see Article 6.1 on pages 92-95.

Example 1

If you are single and retire at age 65 in 2018 under normal retirement with a traditional income benefit of $2,000.00 and a sustainable income benefit of $100.00, what is your initial monthly benefit?

Traditional Income Benefit
$2,000.00

Initial Sustainable Income Benefit
$100.00

Total Initial Monthly Benefit
$2,000.00 + $100.00 = $2,100.00

In this example, your $2,100.00 monthly benefit is unreduced because there is no early retirement reduction with normal retirement and no reduction for a survivor benefit with a single life benefit. Your sustainable income benefit will continue to be adjusted to reflect investment performance each year during your retirement. Your traditional income benefit remains unchanged.

Example 2

If you are married and retire at age 65 in 2018 under normal retirement with a traditional income benefit of $2,000.00 and a sustainable income benefit of $100.00, what is your initial monthly benefit? Your spouse is two years younger than you and you elect a 50% joint and survivor benefit:

Traditional Income Benefit
$2,000.00 x 0.870 = $1,740.00

Initial Sustainable Income Benefit
$100.00 x 0.906 = $90.60

Total Initial Monthly Benefit
$1,740.00 + $90.60 = $1,830.60
$1,830.60 x 0.50 = $915.30

In this example, your $2,000.00 traditional income benefit is reduced by $260.00 for a 50% joint and survivor benefit (please see Table 7 on page 45). Your initial $100.00 sustainable income benefit is reduced by $9.40 for a 50% joint and survivor benefit (please see www.ctww.org). This provides you and your spouse with a $1,830.60 monthly benefit for the first year of retirement and with a monthly benefit for the rest of your spouse's life equal to 50% of your total monthly benefit if you predecease your spouse. Your sustainable income benefit will continue to be adjusted to reflect investment performance each year during your retirement and during your spouse's life if you predecease your spouse. Your traditional income benefit remains unchanged.

Example 3

If you are single and retire at age 67 in 2018 under normal retirement with a traditional income benefit of $2,000.00 and a sustainable income benefit of $100.00, what is your initial monthly benefit?

Traditional Income Benefit
$2,000.00 + 12% = $2,240.00

Initial Sustainable Income Benefit
$100.00 + 8% = $108.00

Total Initial Monthly Benefit
$2,240.00 + $108.00 = $2,348.00

In this example, your $2,000.00 traditional income benefit is increased by 12% and your $100.00 sustainable income benefit payable in the year you retire is increased by 8% because you are retiring two years after your normal retirement age of 65. Your sustainable income benefit will continue to be adjusted to reflect investment performance each year during your retirement. Your traditional benefit remains unchanged.

Minimum Distribution Requirements

Under no circumstances can you postpone your retirement past April 1 of the calendar year immediately following the calendar year in which you attain age 70½. This is known as the Internal Revenue Service (IRS) "70½ Rule." If you have not retired before this age requirement, Carpenters Trusts will automatically send you a *Carpenters Retirement Plan Explanation of Payment Options and Election of Retirement Benefits* form and related documents. You will be paid a minimum annual distribution at that time.

✦ For additional information about minimum distribution requirements, please see Article 6.12 on pages 106-109.

REGULAR EARLY RETIREMENT

Eligibility and Retirement Date

To be eligible for regular early retirement you must be:

- Vested in this plan;
- Age 55 through age 64; and
- No longer working in any type of work for an employer that contributes to the plan.

Prior to January 1, 2017, you were required to satisfy the five-year vesting rule to be eligible for regular early retirement. Effective January 1, 2017, you may qualify for regular early retirement if you satisfy the three-year vesting rule.

Your retirement date cannot be earlier than the later of (1) the first of any month following your 55th birthday, or (2) the first of the month following receipt of your completed *Application For Retirement Benefits* and *Carpenters Retirement Plan Explanation of Payment Options and Election of Retirement Benefits* form and related documents.

✦ For additional information about regular early retirement eligibility, please see Article 4.2.1 on page 88.

Monthly Benefit

Under regular early retirement, your monthly income is your monthly traditional income benefit plus your monthly sustainable income benefit, less the appropriate reduction for early retirement, less the appropriate reduction for a joint and survivor benefit (if applicable). Your total monthly benefit is reduced because your monthly payments will begin earlier and will likely be paid for a longer period of time than if you had retired under normal retirement. Traditional regular early retirement reduction factors are listed in Table 3 pages 39-40. The 2018 sustainable regular early retirement reduction factors are listed in Table 4 on pages 40-42. These factors are subject to change each year and are available on the Carpenters Trusts website: www.ctww.org. Traditional joint and survivor factors are listed in Table 7 on page 45. Sustainable joint and survivor factors are subject to change each year and are available on the Carpenters Trusts website: www.ctww.org. The examples below illustrate how to calculate a regular early retirement income.

Retirement benefits are taxable income. Carpenters Trusts will provide you with a *Form 1099-R* in late January of each year for the upcoming April 15 tax deadline.

- For additional information about the monthly benefit available under regular early retirement, please see Article 6.2.1 on pages 95-96.

Example 1

If you are single and retire at age 60 in 2018 under regular early retirement with a traditional income benefit of $2,000.00 and a sustainable income benefit of $100.00, what is your initial monthly benefit?

Traditional Income Benefit

$2,000.00 x 0.850 = $1,700.00

Initial Sustainable Income Benefit

$100.00 x 0.710 = $71.00

Total Initial Monthly Benefit

$1,700.00 + $71.00 = $1,771.00

In this example, your $2,000.00 traditional income benefit is reduced by $300.00 for regular early retirement at age 60 (please see Table 3 on pages 39-40). Your initial $100.00 sustainable income benefit is reduced by $29.00 for regular early retirement at age 60 (please see Table 4 on pages 40-42). This provides you with an initial lifetime monthly benefit of $1,771.00. Your sustainable income benefit will continue to be adjusted to reflect investment performance each year during your retirement. Your traditional income benefit remains unchanged.

Example 2

If you are married and retire at age 60 in 2018 under regular early retirement with a traditional income benefit of $2,000.00 and a sustainable income benefit of $100.00, what is your initial monthly benefit? Your spouse is two years younger than you and you elect a 50% joint and survivor benefit:

Traditional Income Benefit

$2,000.00 x 0.850 = $1,700.00
$1,700.00 x 0.870 = $1,479.00

Initial Sustainable Income Benefit

$100.00 x 0.710 = $71.00
$71.00 x 0.906 = $64.33

Total Initial Monthly Benefit

$1,479.00 + $64.33 = $1,543.33
$1,543.33 x 0.50 = $771.66

In this example, your $2,000.00 traditional income benefit is reduced by $300.00 for regular early retirement at age 60 (please see Table 3 on pages 39-40) and by $221.00 for a 50% joint and survivor benefit (please see Table 7 on page 45). Your initial $100.00 sustainable income benefit is reduced by $29.00 for regular early retirement at age 60 (please see Table 4 on pages 40-42) and by $6.67 for a 50% joint and survivor benefit (please see www.ctww.org). This provides you with an initial lifetime monthly benefit of $1,543.33 and a monthly benefit for the rest of your spouse's life of 50% of your monthly benefit if you predecease your spouse. Your sustainable income benefit will continue to be adjusted to reflect investment performance each year during your retirement and during your spouse's life if you predecease your spouse. Your traditional benefit remains unchanged.

SPECIAL EARLY RETIREMENT

Eligibility and Retirement Date

To be eligible for special early retirement you must be:

- Vested in this plan;
- Age 55 through age 64;
- Have at least 750 hours of service in this plan in the three calendar years immediately preceding your retirement effective date; and
- No longer working in any type of work for an employer that contributes to the plan.

Prior to January 1, 2017, you were required to satisfy the five-year vesting rule to be eligible for special early retirement. Effective January 1, 2017, you may qualify for special early retirement if you satisfy the three-year vesting rule.

Your retirement date cannot be earlier than the later of (1) the first of any month following your 55th birthday, or (2) the first of the month following receipt of your completed *Application For Retirement Benefits* and *Carpenters Retirement Plan Explanation of Payment Options and Election of Retirement Benefits* form and related documents.

✦ For additional information about special early retirement eligibility, please see Article 4.2.2 on pages 88-89.

Monthly Benefit

Under special early retirement, your monthly income is your monthly traditional income benefit plus your monthly sustainable income benefit less the appropriate reduction for special early retirement (if applicable), less the appropriate reduction for a joint and survivor benefit (if applicable). Your total monthly benefit is reduced because your monthly payments will begin earlier and will likely be paid for a longer period of time than if you had retired under normal retirement. Under special early retirement, you can retire at ages 62 through 64 and your monthly traditional and sustainable income benefits are not reduced for early retirement. If you retire between ages 55 through 61, your early retirement reductions are less than it would be if you retired under regular early retirement. Traditional special early retirement reduction factors are listed in Table 5 on pages 42-43. The 2018 sustainable special early retirement reduction factors are listed in Table 6 on page 44. These factors are subject to change each year and are available on the Carpenters Trusts website: www.ctww.org. Traditional joint and survivor factors are listed in Table 7 on page 45. Sustainable joint and survivor factors are subject to change each year and are available on the Carpenters Trusts website: www.ctww.org. The following examples illustrate how to calculate a special early retirement income.

Example 1

If you are single and retire at age 60 in 2018 under special early retirement with a traditional income benefit of $2,000.00 and a sustainable income benefit of $100.00, what is your initial monthly benefit?

Traditional Income Benefit

$2,000.00 x 0.940 = $1,880.00

Initial Sustainable Income Benefit

$100.00 x 0.880 = $88.00

Total Initial Monthly Benefit

$1,880.00 + $88.00 = $1,968.00

In this example, your $2,000.00 traditional income benefit is reduced by $120.00 for special early retirement at age 60 (please see Table 5 on pages 42-43). Your initial $100.00 sustainable income benefit is reduced by $12.00 for special early retirement at age 60 (please see Table 6 on page 44). This provides you with an initial monthly benefit of $1,968.00. Your sustainable income benefit will continue to be adjusted to reflect investment performance each year during your retirement. Your traditional income benefit remains unchanged.

Example 2

If you are single and retire at age 62 in 2018 under special early retirement with a traditional income benefit of $2,000.00 and a sustainable income benefit of $100.00, what is your initial monthly benefit?

Traditional Income Benefit

$2,000.00 x 1.000 = $2,000.00

Initial Sustainable Income Benefit

$100.00 x 1.000 = $100.00

Total Initial Monthly Benefit

$2,000.00 + $100.00 = $2,100.00

In this example, your $2,000.00 traditional income benefit and your initial $100.00 sustainable income benefit are unreduced for special early retirement at ages 62-64 (please see Table 5 on pages 42-43 and Table 6 on page 44). This provides you with an initial monthly benefit of $2,100.00 at retirement. Your sustainable income benefit will continue to be adjusted to reflect investment performance each year during your retirement. Your traditional income benefit remains unchanged.

Example 3

If you are married and retire at age 60 in 2018 under special early retirement with a traditional income benefit of $2,000.00 and a sustainable income benefit of $100.00, what is your initial monthly benefit? Your spouse is two years younger than you and you elect a 50% joint and survivor benefit:

Traditional Income Benefit

$2,000.00 x 0.940 = $1,880.00
$1,880.00 x 0.870 = $1,635.60

Initial Sustainable Income Benefit

$100.00 x 0.880 = $88.00
$88.00 x 0.906 = $79.73

Total Initial Monthly Benefit

$1,635.60 + $79.73 = $1,715.33
$1,715.33 x 0.50 = $857.67

In this example, your $2,000.00 traditional income benefit is reduced by $120.00 for special early retirement at age 60 (please see Table 5 on pages 42-43) and by $244.40 for a 50% joint and survivor benefit (please see Table 7 on page 45). Your initial $100.00 sustainable income benefit is reduced by $12.00 for special early retirement at age 60 (please see Table 6 on page 44) and by $8.27 for a 50% joint and survivor benefit (please see www.ctww.org). This provides you with an initial monthly benefit of $1,715.33 and a monthly benefit of 50% of your monthly benefit for the rest of your spouse's life if you predecease your spouse. Your sustainable income benefit will continue to be adjusted to reflect investment performance each year during your retirement and during your spouse's life if you predecease your spouse. Your traditional benefit remains unchanged.

Retirement benefits are taxable income. Carpenters Trusts will provide you with a *Form 1099-R* in late January of each year for the upcoming April 15 tax deadline.

✦ For additional information about the monthly benefit available under special early retirement, please see Article 6.2.2 on page 96.

RULE OF 80 EARLY RETIREMENT

Eligibility and Retirement Date

To be eligible for rule of 80 early retirement you must be:

- Vested in this plan;
- Age 55 through age 61;
- Your age plus whole years of credited service in the Carpenters Retirement Plan of Western Washington equals 80 or more. For example, if you are age 55 and have 25 years of credited service in this plan, you satisfy this eligibility requirement for rule of 80 early retirement. Similarly, if you are age 58 and have 22 years of credited service in this plan, you satisfy this eligibility requirement. In certain circumstances, credited service in the Carpenters Retirement Plan of Oregon and Washington can count toward rule of 80 early retirement. Please contact Retirement Services at Carpenters Trusts for details;
- Have at least 750 hours of service in this plan in the three calendar years immediately preceding your retirement effective date; and
- No longer working in the building and construction industry in any geographic area.

Your retirement date cannot be earlier than the later of (1) the first of any month following your 55th birthday, or (2) the first of the month following receipt of your completed *Application For Retirement Benefits* and *Carpenters Retirement Plan Explanation of Payment Options and Election of Retirement Benefits* and related documents.

✦ For additional information about rule of 80 early retirement eligibility, please see Article 4.2.3 on page 89.

Monthly Benefit

Under rule of 80 early retirement, your monthly income is your monthly traditional income benefit plus your monthly sustainable income benefit less the appropriate reductions for a joint and survivor (if applicable). Traditional joint and survivor factors are listed in Table 7 on page 45. Sustainable joint and survivor factors are subject to change each year and are available on the Carpenters Trusts website: www.ctww.org. The examples on the next page illustrate how to calculate a rule of 80 early retirement income.

Retirement benefits are taxable income. Carpenters Trusts will provide you with a *Form 1099-R* in late January of each year for the upcoming April 15 tax deadline.

✦ For additional information about the monthly benefit available under rule of 80 early retirement, please see Article 6.2.3 on pages 96-97.

Post-Retirement Employment Under the Rule of 80

If you retire under rule of 80 early retirement, are under age 65, and engage in post-retirement employment above the minimum level allowed by the plan, your monthly benefit will be suspended (please see "Post-Retirement Employment and Suspension of Benefits" on pages 47-52). When your monthly benefit is reinstated, it will be recalculated at the monthly benefit

Example 1

If you are single and retire at age 55 in 2018 under rule of 80 early retirement with a traditional income benefit of $2,000.00 and a sustainable income benefit of $100.00, what is your initial monthly benefit?

Traditional Income Benefit
$2,000.00 x 1.000 = $2,000.00

Initial Sustainable Income Benefit
$100.00 x 1.000 = $100.00

Total Initial Monthly Benefit
$2,000.00 + $100.00 = $2,100.00

In this example, your $2,000.00 traditional income benefit and your initial $100.00 sustainable income benefit are unreduced for rule of 80 early retirement at ages 55-61. Your sustainable income benefit will continue to be adjusted to reflect investment performance each year during your retirement. Your traditional benefit remains unchanged.

Example 2

If you are married and retire at age 55 in 2018 under rule of 80 early retirement with a traditional income benefit of $2,000.00 and a sustainable income benefit of $100.00, what is your initial monthly benefit? Your spouse is two years younger than you and you elect a 50% joint and survivor benefit:

Traditional Income Benefit
$2,000.00 x 0.870 = $1,740.00

Initial Sustainable Income Benefit
$100.00 x 0.906 = $90.60

Total Initial Monthly Benefit
$1,740.00 + $90.60 = $1,830.60
$1,830.60 x 0.50 = $915.30

In this example, your $2,000.00 traditional income benefit and your initial $100.00 sustainable income benefit are unreduced for rule of 80 early retirement at ages 55-61. Your $2,000.00 traditional income benefit is reduced by $260.00 for a 50% joint and survivor benefit (please see Table 7 on page 45) and your initial $100.00 sustainable income benefit is reduced by $9.40 for a 50% joint and survivor benefit (please see www.ctww.org). This provides you with an initial monthly benefit of $1,830.60 and a monthly benefit for the rest of your spouse's life equal to 50% of your monthly benefit if you predecease your spouse. Your sustainable income benefit will continue to be adjusted to reflect investment performance each year during your retirement and during your spouse's life if you predecease your spouse. Your traditional income benefit remains unchanged.

level provided under regular early retirement. This represents a substantial loss in monthly income and cannot be changed. Please contact Retirement Services at Carpenters Trusts if you have any questions regarding post-retirement employment.

- ✦ For additional information about post-retirement employment under the rule of 80, please see Article 6.2.3 on pages 96-97.

RETIREMENT PAYMENT OPTIONS

Single Life Benefit

A single life benefit provides a monthly benefit for your lifetime. There is no continuing income for your spouse's or beneficiary's lifetime, except that if you die before the first 60 monthly payments have been made, your spouse or beneficiary will receive any outstanding payments until a total of 60 payments have been made. With this benefit option your monthly income equals your total monthly benefit less any reduction for early retirement (if applicable). The example on page 36 illustrates how to calculate a single life benefit.

- ✦ For additional information about a single life benefit, please see Article 6.6 on pages 101-102.

Joint and Survivor Benefit

If you are married when you retire, you may want a benefit option that provides an income to your spouse after you die. The following three joint and survivor benefit options are available. These payment options are also available if you are single. Traditional joint and survivor factors are listed in Table 7 on page 45. Sustainable joint and survivor factors are subject to change each year and are available on the Carpenters Trusts website: www.ctww.org.

50% Joint and Survivor Benefit

With this benefit option you receive a monthly benefit for life and, if you die before your spouse or other designated beneficiary, he or she receives 50% of that amount for his or her life. Your monthly income is your total monthly benefit less the appropriate reduction for early retirement (if applicable), less the appropriate reduction for the survivor benefit. The example on page 37 illustrates how to calculate a 50% joint and survivor benefit.

75% Joint and Survivor Benefit

With this benefit option you receive a monthly benefit for life and, if you die before your spouse or other designated beneficiary, he or she receives 75% of that amount for his or her life. Your monthly income is your total benefit less the appropriate reduction for early retirement (if applicable), less the appropriate reduction for the survivor benefit. The example on page 37 illustrates how to calculate a 75% joint and survivor benefit.

100% Joint and Survivor Benefit

With this benefit option you receive a monthly benefit for life and, if you die before your spouse or other designated beneficiary, he or she receives 100% of that amount for his or her life. Your monthly income is your total monthly benefit less the appropriate reduction for early retirement (if applicable), less the appropriate reduction for the survivor benefit. The example on page 38 illustrates how to calculate a 100% joint and survivor benefit.

Pop-Up Benefit

If you begin receiving one of the joint and survivor benefits and your spouse or other designated beneficiary predeceases you, your monthly income is increased to the amount that would have been payable with a single life benefit on your retirement effective date. This increase is effective for the month following your spouse or other designated beneficiary's death.

Similarly, if you and your spouse divorce after you begin receiving one of the joint and survivor benefits, and your spouse agrees in a Qualified Domestic Relations Order (QDRO) to relinquish all of his or her rights to your retirement benefits, your benefit is increased to the amount that would have been available under a single life benefit on your retirement effective date. This increase is effective for the month following the effective date in the provision of the QDRO that specifies the relinquishment.

If you receive either of these pop-up benefits, there is no five year guarantee (no survivor benefits to any beneficiary after your death).

✦ For additional information about the pop-up benefit, please see Article 6.5 on page 101 and Article 6.9 on pages 104-105.

Single Life Benefit

If you are single and retire at age 65 in 2018 with a traditional income benefit of $2,000.00 and a sustainable income benefit of $100.00, what is your initial monthly benefit?

Traditional Income Benefit
$2,000.00

Initial Sustainable Income Benefit
$100.00

Total Initial Monthly Benefit
$2,000.00 + $100.00 = $2,100.00

In this example, your initial $2,100.00 monthly benefit is unreduced because there is no early retirement reduction with normal retirement and no reduction for a survivor benefit with a single life benefit. Your sustainable income benefit will continue to be adjusted to reflect investment performance each year during your retirement. Your traditional benefit remains unchanged.

This monthly income is payable for your life. However, if you die sometime during the first five years of retirement, any remaining guaranteed payments would be made to your beneficiary. After all remaining guaranteed payments have been made to your beneficiary, the monthly benefit ceases. For example, if you died three years after your retirement effective date (36 monthly payments), your beneficiary receives the 24 remaining guaranteed benefits. After that, no monthly benefit is paid.

50% Joint and Survivor Benefit

If you are married and retire at age 62 in 2018 under special early retirement with a traditional income benefit of $2,000.00 and a sustainable income benefit of $100.00, what is your initial monthly benefit? Your spouse is two years younger than you and you elect a 50% joint and survivor benefit:

Traditional Income Benefit
$2,000.00 x 0.870 = $1,740.00

Initial Sustainable Income Benefit
$100.00 x 0.906 = $90.60

Total Initial Monthly Benefit
$1,740.00 + $90.60 = $1,830.60
$1,830.60 x 0.50 = $915.30

In this example, your $2,000.00 traditional income benefit is reduced by $260.00 for a 50% joint and survivor benefit (please see Table 7 on page 45). Your initial sustainable income benefit of $100.00 is reduced by $9.40 for a 50% joint and survivor benefit (please see www.ctww.org). This provides you with an initial monthly benefit of $1,830.60 and a monthly benefit for the rest of your spouse's life equal to 50% of your benefit if you predecease your spouse. Your sustainable income benefit will continue to be adjusted to reflect investment performance each year during your retirement and during your spouse's life if you predecease your spouse. Your traditional income benefit remains unchanged.

75% Joint and Survivor Benefit

If you are married and retire at age 62 in 2018 under special early retirement with a traditional income benefit of $2,000.00 and a sustainable income benefit of $100.00, what is your initial monthly benefit? Your spouse is two years younger than you and you elect a 75% joint and survivor benefit:

Traditional Income Benefit
$2,000.00 x 0.816 = $1,632.00

Initial Sustainable Income Benefit
$100.00 x 0.877 = $87.70

Total Initial Monthly Benefit
$1,632.00 + $87.70 = $1,719.70
$1,719.70 x 0.75 = $1,289.78

In this example, your \$2,000.00 traditional income benefit is reduced by \$368.00 for a 75% joint and survivor benefit (please see Table 7 on page 45). Your initial sustainable benefit of \$100.00 is reduced by \$12.30 for a 75% joint and survivor benefit (please see www.ctww.org). This provides you with an initial monthly benefit of \$1,719.70 and a monthly benefit for the rest of your spouse's life of 75% of the amount payable to you if you predecease your spouse. Your sustainable income benefit will continue to be adjusted to reflect investment performance each year during your retirement and during your spouse's life if you predecease your spouse. Your traditional income benefit remains unchanged.

100% Joint and Survivor Benefit

If you are married and retire at age 62 in 2018 under special early retirement with a traditional income benefit of \$2,000.00 and a sustainable income benefit of \$100.00, what is your initial monthly benefit? Your spouse is two years younger than you and you elect a 100% joint and survivor benefit:

Traditional Income Benefit

\$2,000.00 x 0.770 = \$1,540.00

Initial Sustainable Income Benefit

\$100.00 x 0.841 = \$84.10

Total Initial Monthly Benefit

\$1,540.00 + \$84.10 = \$1,624.10
\$1,624.10 x 1.00 = \$1,624.10

In this example, your \$2,000.00 traditional income benefit is reduced by \$460.00 for a 100% joint and survivor benefit (please see Table 7 on page 45). Your initial sustainable income benefit of \$100.00 is reduced by \$15.90 for a 100% joint and survivor benefit (please see www.ctww.org). This provides you with an initial monthly benefit of \$1,624.10 and a monthly benefit for the rest of your spouse's life of 100% of the benefit payable to you if you predecease your spouse. Your sustainable income benefit will continue to be adjusted to reflect investment performance each year during your retirement and during your spouse's life if you predecease your spouse. Your traditional benefit remains unchanged.

TABLE 3

Regular Early Retirement Reduction Factors For All Years
Traditional Income Benefits

If you are vested but do not qualify for the special early retirement reduction factors, you must use the reduction factors presented in this table.

If you qualify for regular early retirement, select the year and month closest to your age on your retirement effective date. Then multiply your monthly benefit by the corresponding reduction factor.

Age	Factor	Age	Factor	Age	Factor
55 – 0	55.00	57 – 0	67.00	59 – 0	79.00
55 – 1	55.50	57 – 1	67.50	59 – 1	79.50
55 – 2	56.00	57 – 2	68.00	59 – 2	80.00
55 – 3	56.50	57 – 3	68.50	59 – 3	80.50
55 – 4	57.00	57 – 4	69.00	59 – 4	81.00
55 – 5	57.50	57 – 5	69.50	59 – 5	81.50
55 – 6	58.00	57 – 6	70.00	59 – 6	82.00
55 – 7	58.50	57 – 7	70.50	59 – 7	82.50
55 – 8	59.00	57 – 8	71.00	59 – 8	83.00
55 – 9	59.50	57 – 9	71.50	59 – 9	83.50
55 – 10	60.00	57 – 10	72.00	59 – 10	84.00
55 – 11	60.50	57 – 11	72.50	59 – 11	84.50
56 – 0	61.00	58 – 0	73.00	60 – 0	85.00
56 – 1	61.50	58 – 1	73.50	60 – 1	85.25
56 – 2	62.00	58 – 2	74.00	60 – 2	85.50
56 – 3	62.50	58 – 3	74.50	60 – 3	85.75
56 – 4	63.00	58 – 4	75.00	60 – 4	86.00
56 – 5	63.50	58 – 5	75.50	60 – 5	86.25
56 – 6	64.00	58 – 6	76.00	60 – 6	86.50
56 – 7	64.50	58 – 7	76.50	60 – 7	86.75
56 – 8	65.00	58 – 8	77.00	60 – 8	87.00
56 – 9	65.50	58 – 9	77.50	60 – 9	87.25
56 – 10	66.00	58 – 10	78.00	60 – 10	87.50
56 – 11	66.50	58 – 11	78.50	60 – 11	87.75

TABLE 3 (continued)					
Age – Factor		Age – Factor		Age – Factor	
61 – 0	88.00	62 – 4	92.00	63 – 8	96.00
61 – 1	88.25	62 – 5	92.25	63 – 9	96.25
61 – 2	88.50	62 – 6	92.50	63 – 10	96.50
61 – 3	88.75	62 – 7	92.75	63 – 11	96.75
61 – 4	89.00	62 – 8	93.00	64 – 0	97.00
61 – 5	89.25	62 – 9	93.25	64 – 1	97.25
61 – 6	89.50	62 – 10	93.50	64 – 2	97.50
61 – 7	89.75	62 – 11	93.75	64 – 3	97.75
61 – 8	90.00	63 – 0	94.00	64 – 4	98.00
61 – 9	90.25	63 – 1	94.25	64 – 5	98.25
61 – 10	90.50	63 – 2	94.50	64 – 6	98.50
61 – 11	90.75	63 – 3	94.75	64 – 7	98.75
62 – 0	91.00	63 – 4	95.00	64 – 8	99.00
62 – 1	91.25	63 – 5	95.25	64 – 9	99.25
62 – 2	91.50	63 – 6	95.50	64 – 10	99.50
62 – 3	91.75	63 – 7	95.75	64 – 11	99.75

TABLE 4					
Regular Early Retirement Reduction Factors For 2018 Sustainable Income Benefits					
Age – Factor		Age – Factor		Age – Factor	
55 – 0	53.000	55 – 6	54.500	56 – 0	56.000
55 – 1	53.250	55 – 7	54.750	56 – 1	56.250
55 – 2	53.500	55 – 8	55.000	56 – 2	56.500
55 – 3	53.750	55 – 9	55.250	56 – 3	56.750
55 – 4	54.000	55 – 10	55.500	56 – 4	57.000
55 – 5	54.250	55 – 11	55.750	56 – 5	57.250

TABLE 4 (continued)

Age	Factor	Age	Factor	Age	Factor
56 – 6	57.500	59 – 0	67.000	61 – 6	79.000
56 – 7	57.750	59 – 1	67.333	61 – 7	79.500
56 – 8	58.000	59 – 2	67.667	61 – 8	80.000
56 – 9	58.250	59 – 3	68.000	61 – 9	80.500
56 – 10	58.500	59 – 4	68.333	61 – 10	81.000
56 – 11	58.750	59 – 5	68.667	61 – 11	81.500
57 – 0	59.000	59 – 6	69.000	62 – 0	82.000
57 – 1	59.333	59 – 7	69.333	62 – 1	82.500
57 – 2	59.667	59 – 8	69.667	62 – 2	83.000
57 – 3	60.000	59 – 9	70.000	62 – 3	83.500
57 – 4	60.333	59 – 10	70.333	62 – 4	84.000
57 – 5	60.667	59 – 11	70.667	62 – 5	84.500
57 – 6	61.000	60 – 0	71.000	62 – 6	85.000
57 – 7	61.333	60 – 1	71.417	62 – 7	85.500
57 – 8	61.667	60 – 2	71.834	62 – 8	86.000
57 – 9	62.000	60 – 3	72.251	62 – 9	86.500
57 – 10	62.333	60 – 4	72.668	62 – 10	87.000
57 – 11	62.667	60 – 5	73.085	62 – 11	87.500
58 – 0	63.000	60 – 6	73.502	63 – 0	88.000
58 – 1	63.333	60 – 7	73.919	63 – 1	88.500
58 – 2	63.667	60 – 8	74.336	63 – 2	89.000
58 – 3	64.000	60 – 9	74.753	63 – 3	89.500
58 – 4	64.333	60 – 10	75.170	63 – 4	90.000
58 – 5	64.667	60 – 11	75.587	63 – 5	90.500
58 – 6	65.000	61 – 0	76.000	63 – 6	91.000
58 – 7	65.333	61 – 1	76.500	63 – 7	91.500
58 – 8	65.667	61 – 2	77.000	63 – 8	92.000
58 – 9	66.000	61 – 3	77.500	63 – 9	92.500
58 – 10	66.333	61 – 4	78.000	63 – 10	93.000
58 – 11	66.667	61 – 5	78.500	63 – 11	93.500

TABLE 4 (continued)					
Age – Factor		Age – Factor		Age – Factor	
64 – 0	94.000	64 – 4	96.000	64 – 8	98.000
64 – 1	94.500	64 – 5	96.500	64 – 9	98.500
64 – 2	95.000	64 – 6	97.000	64 – 10	99.000
64 – 3	95.500	64 – 7	97.500	64 – 11	99.500

TABLE 5

Special Early Retirement Reduction Factors For All Years Traditional Income Benefits

To qualify for the special early retirement reduction factors you must be vested under the three- or five-year vesting rule of this plan, satisfy the activity test (750 hours of service in the three plan years immediately preceding your retirement date), and retire on or after January 1, 1988.

If you qualify for special early retirement, select the year and month closest to your age on your retirement date. Then multiply your monthly benefit by the corresponding reduction factor. There is no reduction for early retirement between the ages of 62-64.

Age – Factor		Age – Factor		Age – Factor	
55 – 0	67.00	56 – 0	73.00	57 – 0	79.00
55 – 1	67.50	56 – 1	73.50	57 – 1	79.50
55 – 2	68.00	56 – 2	74.00	57 – 2	80.00
55 – 3	68.50	56 – 3	74.50	57 – 3	80.50
55 – 4	69.00	56 – 4	75.00	57 – 4	81.00
55 – 5	69.50	56 – 5	75.50	57 – 5	81.50
55 – 6	70.00	56 – 6	76.00	57 – 6	82.00
55 – 7	70.50	56 – 7	76.50	57 – 7	82.50
55 – 8	71.00	56 – 8	77.00	57 – 8	83.00
55 – 9	71.50	56 – 9	77.50	57 – 9	83.50
55 – 10	72.00	56 – 10	78.00	57 – 10	84.00
55 – 11	72.50	56 – 11	78.50	57 – 11	84.50

TABLE 5 (continued)					
Age – Factor		Age – Factor		Age – Factor	
58 – 0	85.00	59 – 5	92.25	60 – 10	96.50
58 – 1	85.50	59 – 6	92.50	60 – 11	96.75
58 – 2	86.00	59 – 7	92.75	61 – 0	97.00
58 – 3	86.50	59 – 8	93.00	61 – 1	97.25
58 – 4	87.00	59 – 9	93.25	61 – 2	97.50
58 – 5	87.50	59 – 10	93.50	61 – 3	97.75
58 – 6	88.00	59 – 11	93.75	61 – 4	98.00
58 – 7	88.50	60 – 0	94.00	61 – 5	98.25
58 – 8	89.00	60 – 1	94.25	61 – 6	98.50
58 – 9	89.50	60 – 2	94.50	61 – 7	98.75
58 – 10	90.00	60 – 3	94.75	61 – 8	99.00
58 – 11	90.50	60 – 4	95.00	61 – 9	99.25
59 – 0	91.00	60 – 5	95.25	61 – 10	99.50
59 – 1	91.25	60 – 6	95.50	61 – 11	99.75
59 – 2	91.50	60 – 7	95.75	62+	100%
59 – 3	91.75	60 – 8	96.00		
59 – 4	92.00	60 – 9	96.25		

TABLE 6

Special Early Retirement Reduction Factors For 2018 Sustainable Income Benefits

Age	Factor
55 – 0	65.000
55 – 1	65.333
55 – 2	65.667
55 – 3	66.000
55 – 4	66.333
55 – 5	66.667
55 – 6	67.000
55 – 7	67.333
55 – 8	67.667
55 – 9	68.000
55 – 10	68.333
55 – 11	68.667
56 – 0	69.000
56 – 1	69.333
56 – 2	69.667
56 – 3	70.000
56 – 4	70.333
56 – 5	70.667
56 – 6	71.000
56 – 7	71.333
56 – 8	71.667
56 – 9	72.000
56 – 10	72.333
56 – 11	72.667
57 – 0	73.000
57 – 1	73.333
57 – 2	73.667
57 – 3	74.000
57 – 4	74.333

Age	Factor
57 – 5	74.667
57 – 6	75.000
57 – 7	75.333
57 – 8	75.667
57 – 9	76.000
57 – 10	76.333
57 – 11	76.667
58 – 0	77.000
58 – 1	77.417
58 – 2	77.834
58 – 3	78.251
58 – 4	78.668
58 – 5	79.085
58 – 6	79.502
58 – 7	79.919
58 – 8	80.336
58 – 9	80.753
58 – 10	81.170
58 – 11	81.587
59 – 0	82.000
59 – 1	82.500
59 – 2	83.000
59 – 3	83.500
59 – 4	84.000
59 – 5	84.500
59 – 6	85.000
59 – 7	85.500
59 – 8	86.000
59 – 9	86.500

Age	Factor
59 – 10	87.000
59 – 11	87.500
60 – 0	88.000
60 – 1	88.500
60 – 2	89.000
60 – 3	89.500
60 – 4	90.000
60 – 5	90.500
60 – 6	91.000
60 – 7	91.500
60 – 8	92.000
60 – 9	92.500
60 – 10	93.000
60 – 11	93.500
61 – 0	94.000
61 – 1	94.500
61 – 2	95.000
61 – 3	95.500
61 – 4	96.000
61 – 5	96.500
61 – 6	97.000
61 – 7	97.500
61 – 8	98.000
61 – 9	98.500
61 – 10	99.000
61 – 11	99.500
62+	100%

TABLE 7

Joint and Survivor Benefit Factors For All Years
Traditional Income Benefits

If you select a joint and survivor benefit option, your total monthly benefit is adjusted by the appropriate factor. Determine the age difference between you and your spouse (or other beneficiary) to the nearest year on your retirement effective date. Then select the factor based on the appropriate joint and survivor benefit option. Round up at six months.

Age Difference	50% J&S	75% J&S	100% J&S
Each additional year older	+.005	+.007	+.008
+10 Years	.930	.900	.866
+9	.925	.893	.858
+8	.920	.886	.850
+7	.915	.879	.842
+6	.910	.872	.834
+5	.905	.865	.826
+4	.900	.858	.818
+3	.895	.851	.810
+2	.890	.844	.802
+1	.885	.837	.794
Same age as your beneficiary	.880	.830	.786
-1 Year	.875	.823	.778
-2	.870	.816	.770
-3	.865	.809	.762
-4	.860	.802	.754
-5	.855	.795	.746
-6	.850	.788	.738
-7	.845	.781	.730
-8	.840	.774	.722
-9	.835	.767	.714
-10	.830	.760	.706
Each additional year younger	-.005	-.007	-.008

POST-RETIREMENT EMPLOYMENT AND SUSPENSION OF BENEFITS

Summary

This section describes post-retirement work rules under the Carpenters Retirement Plan including the 480 hour rule.

Topics Discussed In This Section

POST-RETIREMENT EMPLOYMENT AND SUSPENSION OF BENEFITS

If you are retired under this plan and under age 65, you can work up to 480 hours in the building and construction industry without your monthly benefit being suspended. If you are age 65 and older, you can also work an additional 39.5 hours per month without a suspension. However, your monthly benefit under this plan will be suspended when you engage in post-retirement employment as described below. Your monthly benefit will be reinstated on the first day of the month following the appropriate suspension.

Before Age 65

To be deemed retired prior to attainment of age 65, you must withdraw and completely refrain from any work with an employer that contributes to the Trust. If you retire and subsequently work anywhere for wages or profit in the building and construction industry your benefits are subject to suspension. Building and construction industry means business activities of the types engaged in by any employers maintaining the plan. Work means work of the type performed by employees covered by the plan or work which requires, directly or indirectly, the use of the same skills employed by an employee at any time under the plan.

If you work 480 hours or less in a calendar year, your monthly benefit from this plan will not be suspended. This is known as the "480 Hour Rule." If you do work more than 480 hours in a calendar year, one or both of the following two penalties apply:

1. If you work more than 480 hours during a calendar year and you are under age 65, three months of retirement benefits will be suspended. For each month in which you work one or more hours thereafter, an additional one month of benefits will be withheld (please see example 1 on page 50).

   In example 1, you worked full time (40 hours per week) for three consecutive months. You then worked one additional hour in April. The one hour worked in April brought your calendar year total to 481 hours. Therefore, your monthly retirement benefit is suspended for three months.

2. If you work more than 480 hours during a calendar year, are under age 65 and are retired under rule of 80 early retirement, your monthly benefit will be recalculated under the regular early retirement provisions of the plan based on your age at retirement following the suspension described in penalty one above (please see example 2 on page 50).

   In example 2, you worked full time (40 hours per week) for three consecutive months. You then worked one additional hour in April. The one hour worked in April brought your calendar year total to 481 hours. Therefore, your monthly retirement benefit is suspended for three months. Following the three-month suspension, your monthly benefit is recalculated under the regular early retirement provisions of the plan based on your age at retirement. This new benefit amount is payable for the rest of your life.

There is a one-time exception to the benefit reduction from the rule of 80 early retirement amount to the regular early retirement amount described above. Your monthly benefit is not reduced if both of the following two rules are satisfied:

Example 1		
Month	**Hours Worked**	**Retirement Benefit Status**
January	160	Benefit payable
February	160	Benefit payable
March	160	Benefit payable
April	1	Benefit suspended
May	0	Benefit suspended
June	0	Benefit suspended
July	0	Benefit payable
August	0	Benefit payable
September	0	Benefit payable
October	0	Benefit payable
November	0	Benefit payable
December	0	Benefit payable

Example 2		
Month	**Hours Worked**	**Retirement Benefit Status**
January	160	Rule of 80 early benefit payable
February	160	Rule of 80 early benefit payable
March	160	Rule of 80 early benefit payable
April	1	Benefit suspended
May	0	Benefit suspended
June	0	Benefit suspended
July	0	Regular early benefit payable
August	0	Regular early benefit payable
September	0	Regular early benefit payable
October	0	Regular early benefit payable
November	0	Regular early benefit payable
December	0	Regular early benefit payable

1. You worked less than 580 hours in that calendar year.
2. This was the first time you worked more than 480 hours during a calendar year in post-retirement service.

Example 3 on page 52 illustrates these rules.

In example 3, you worked full time (40 hours per week) for three consecutive months. You then worked 99 additional hours in April. The 99 hours worked in April brought your hourly total to 579 in the calendar year. Therefore, your monthly retirement benefit is suspended for three months. Following the three-month suspension, your monthly benefit is reinstated at the rule of 80 early retirement amount.

If you work 580 hours or more in a calendar year or you work more than 480 hours in two consecutive or non-consecutive calendar years, your monthly benefit will be reduced to the regular early retirement amount following the suspension. Example 4 on page 52 illustrates this rule.

In example 4, you worked full time (40 hours per week) for three consecutive months. You then worked 100 additional hours in April. The 100 hours worked in April brought your calendar year total to 580 hours. Therefore, your monthly retirement benefit is suspended for three months. Following the three-month suspension, your monthly benefit is recalculated under the regular early retirement provisions of the plan based on your age at retirement. This new benefit is payable for the rest of your life.

After Age 65

When you attain age 65, benefits are subject to suspension for work in the building and construction industry in the geographic area covered by the plan. The "480 Hour Rule" and what is known as the "40 Hour Rule" work together to determine when a benefit is suspended:

- During each calendar year, you may choose to work a total of 480 hours. During that period, there is no restriction on how many hours you may work in a specific month. Retirement benefits are not suspended if you work 480 hours or less during a calendar year.
- If you work 480 hours during a calendar year (as described above), you may also choose to work less than 40 hours in any month after the month the 480 hours was reached without a suspension of retirement benefits. If you work 40 hours or more in any month after the month the 480 hours was reached, your monthly benefit will be suspended accordingly.

If you retired under rule of 80 early retirement, you are no longer subject to the benefit reduction following a suspension when you attain age 65.

Building and construction industry means business activities of the types engaged in by any employers maintaining the plan. Work means work of the type performed by employees covered by the plan or work which requires, directly or indirectly, the use of the same skills employed by an employee at any time under the plan.

✦ For additional information about suspension of benefits, please see Article 6.4 on pages 98-101.

Example 3		
Month	**Hours Worked**	**Retirement Benefit Status**
January	160	Rule of 80 early benefit payable
February	160	Rule of 80 early benefit payable
March	160	Rule of 80 early benefit payable
April	99	Benefit suspended
May	0	Benefit suspended
June	0	Benefit suspended
July	0	Rule of 80 early benefit payable
August	0	Rule of 80 early benefit payable
September	0	Rule of 80 early benefit payable
October	0	Rule of 80 early benefit payable
November	0	Rule of 80 early benefit payable
December	0	Rule of 80 early benefit payable

Example 4		
Month	**Hours Worked**	**Retirement Benefit Status**
January	160	Rule of 80 early benefit payable
February	160	Rule of 80 early benefit payable
March	160	Rule of 80 early benefit payable
April	100	Benefit suspended
May	0	Benefit suspended
June	0	Benefit suspended
July	0	Regular early benefit payable
August	0	Regular early benefit payable
September	0	Regular early benefit payable
October	0	Regular early benefit payable
November	0	Regular early benefit payable
December	0	Regular early benefit payable

DISABILITY RETIREMENT

Summary

This section describes the qualifications for disability retirement benefits under the Carpenters Retirement Plan.

Topics Discussed In This Section

QUALIFICATIONS

To be eligible for disability retirement you must be:

- Under age 65;
- Meet the definition of retired;
- Vested under the ten-year vesting rule (please see "Ten-Year Vesting" on page 8);
- Satisfy the activity test (at least 750 hours of service in this plan or in combination with a reciprocal plan during the three calendar years immediately preceding the date of your disability);
- Totally and permanently disabled by bodily injury or disease as defined by this plan (please see the definition of "totally and permanently disabled" on page 113). Your disability cannot be the result of an intentional self-inflicted injury or the habitual use of drugs or alcohol; and
- Your injury or disease must render you incapable of performing any and every duty pertinent to your occupation as a carpenter. After receiving benefits for 24 months, you must be incapable of working in any gainful occupation for which you are fitted by training, experience and abilities in order to continue receiving disability benefits. Periodic proof of continued disability is also required.

With disability retirement, your retirement date is the later of (1) the first of the month following a six-month waiting period, or (2) the first of the month following receipt of your *Application For Retirement Benefits* and *Carpenters Retirement Plan Explanation of Payment Options and Election of Retirement Benefits*. You do ***not*** receive payment before the first day of the seventh month of disability. The six-month delay is known as the "disability waiting period" and may be waived by the Board of Trustees under certain circumstances. Your application must be accompanied by the *Disability Retirement Questionnaire*.

✦ For additional information about disability retirement eligibility, please see Article 4.3 on pages 89-90 and Article 7 on page 113.

ELECTION PROCESS

To apply for disability benefits under this plan, please use the following guidelines:

1. You must contact Retirement Services at Carpenters Trusts.
2. Retirement Services will mail you a *Disability Retirement Questionnaire* and related documents. You must complete these forms as soon as possible and return them to Retirement Services at Carpenters Trusts within the timeline described on the election forms. Your *Carpenters Retirement Plan Explanation of Payment Options and Election of Retirement Benefits* form must be completed in the presence of a notary public. In general, your retirement date is the later of the first of the month following timely receipt of your completed election forms and other required documentation or your six-month waiting period.
3. You must provide the following documents:
   - Proof of your date of birth (preferably a birth certificate or passport).
   - If you have divorced at any time during your career as a carpenter, you must also submit a copy of your divorce decree, property settlement agreement and domestic relations order (if applicable).

These documents are used to process your application only and are maintained under strict privacy guidelines.

4. You may elect to receive your monthly benefit as a direct deposit into your checking or savings account or as a paper check. Your direct deposit payments are deposited in your bank account on the first business day of each month. Your paper check is processed and mailed so it is received on the first business day of the month.

✦ For additional information about the application and election process, please see Article 6.8 on pages 102-104.

> **Key Point**
>
> If you become disabled when you are age 55 or older, regular, special early or rule of 80 early retirement may provide a higher monthly benefit than disability retirement. Please contact Retirement Services at Carpenters Trusts for assistance. If you elect disability retirement before age 55 and meet the rule of 80 or special early retirement requirements, you can apply for these benefits at age 55

MONTHLY BENEFIT AND INCOME OPTION

The amount available at disability retirement is your traditional income benefit and your sustainable income benefit less the appropriate reduction for disability retirement. Disability reduction factors for traditional and sustainable benefits are listed in Table 8 on pages 57-59. Your disability benefit is a single life benefit with guaranteed monthly payments for five years (60 payments). The example on page 57 illustrates how to calculate a disability retirement income.

When you reach age 65, your monthly benefit is recalculated to reflect what would have been your total monthly benefit if you had not taken disability retirement. Normal retirement payment options are available at that time and no further proof of disability is required.

If you elect disability retirement and die before age 65, your beneficiary receives any of the outstanding guaranteed monthly payments. If you die between the ages of 55 and 65 and all guaranteed monthly payments have been made, your spouse receives the survivor's portion of a 50% joint and survivor benefit beginning the month following your death (please see "Qualified Spouse's Benefit" page 63). If you die before age 55 and all guaranteed monthly payments have been made, your spouse receives the survivor's portion of a 50% joint and survivor benefit beginning the month you would have attained age 55 had you lived. This benefit is payable for your spouse's lifetime.

Retirement benefits are taxable income. Carpenters Trusts will automatically provide you with a *Form 1099-R* in late January of each year for the upcoming April 15 tax deadline.

✦ For additional information about the monthly benefit available under disability retirement, please see Article 6.3 on pages 97-98.

Example 1

If become disabled at age 45 with a traditional income benefit of $600.00 and a sustainable income benefit of $200.00, what is your monthly benefit?

Traditional Income Benefit
$600.00 x 0.700 = $420.00

Initial Sustainable Income Benefit
$200.00 x 0.700 = $140.00

Total Sustainable Monthly Benefit
$420.00 + $140.00 = $560.00

In this example, your $600.00 traditional income benefit is reduced by $180.00 for disability retirement (please see Table 8 below) and your initial sustainable income benefit of $140.00 is reduced by $60.00 (please see Table 8 below). This provides you with an initial monthly disability benefit of $560.00. Your sustainable income benefit will continue to be adjusted to reflect investment performance each year of your disability retirement. Your traditional benefit remains unchanged.

Your monthly disability benefit will continue until you attain age 65 at which time you will retire under normal retirement.

TABLE 8

Disability Retirement Reduction Factors For All Years Traditional and Sustainable Income Benefits

To qualify for disability retirement, you must satisfy the disability retirement requirements listed on page 55.

If you qualify for disability retirement, select the year and month closest to your age on your retirement effective date. Then multiply your monthly benefit by the corresponding reduction factor.

Age – Factor		Age – Factor		Age – Factor	
55 – 0	70.00	55 – 6	71.50	56 – 0	73.00
55 – 1	70.25	55 – 7	71.75	56 – 1	73.25
55 – 2	70.50	55 – 8	72.00	56 – 2	73.50
55 – 3	70.75	55 – 9	72.25	56 – 3	73.75
55 – 4	71.00	55 – 10	72.50	56 – 4	74.00
55 – 5	71.25	55 – 11	72.75	56 – 5	74.25

TABLE 8 (continued)					
Age – Factor		Age – Factor		Age – Factor	
56 – 6	74.50	59 – 0	82.00	61 – 6	89.50
56 – 7	74.75	59 – 1	82.25	61 – 7	89.75
56 – 8	75.00	59 – 2	82.50	61 – 8	90.00
56 – 9	75.25	59 – 3	82.75	61 – 9	90.25
56 – 10	75.50	59 – 4	83.00	61 – 10	90.50
56 – 11	75.75	59 – 5	83.25	61 – 11	90.75
		59 – 6	83.50		
57 – 0	76.00	59 – 7	83.75	62 – 0	91.00
57 – 1	76.25	59 – 8	84.00	62 – 1	91.25
57 – 2	76.50	59 – 9	84.25	62 – 2	91.50
57 – 3	76.75	59 – 10	84.50	62 – 3	91.75
57 – 4	77.00	59 – 11	84.75	62 – 4	92.00
57 – 5	77.25			62 – 5	92.25
57 – 6	77.50	60 – 0	85.00	62 – 6	92.50
57 – 7	77.75	60 – 1	85.25	62 – 7	92.75
57 – 8	78.00	60 – 2	85.50	62 – 8	93.00
57 – 9	78.25	60 – 3	85.75	62 – 9	93.25
57 – 10	78.50	60 – 4	86.00	62 – 10	93.50
57 – 11	78.75	60 – 5	86.25	62 – 11	93.75
		60 – 6	86.50		
58 – 0	79.00	60 – 7	86.75	63 – 0	94.00
58 – 1	79.25	60 – 8	87.00	63 – 1	94.25
58 – 2	79.50	60 – 9	87.25	63 – 2	94.50
58 – 3	79.75	60 – 10	87.50	63 – 3	94.75
58 – 4	80.00	60 – 11	87.75	63 – 4	95.00
58 – 5	80.25			63 – 5	95.25
58 – 6	80.50	61 – 0	88.00	63 – 6	95.50
58 – 7	80.75	61 – 1	88.25	63 – 7	95.75
58 – 8	81.00	61 – 2	88.50	63 – 8	96.00
58 – 9	81.25	61 – 3	88.75	63 – 9	96.25
58 – 10	81.50	61 – 4	89.00	63 – 10	96.50
58 – 11	81.75	61 – 5	89.25	63 – 11	96.75

TABLE 8 (continued)					
Age – Factor		Age – Factor		Age – Factor	
64 – 0	97.00	64 – 4	98.00	64 – 8	99.00
64 – 1	97.25	64 – 5	98.25	64 – 9	99.25
64 – 2	97.50	64 – 6	98.50	64 – 10	99.50
64 – 3	97.75	64 – 7	98.75	64 – 11	99.75

DEATH BENEFITS BEFORE RETIREMENT

Summary

This section describes the benefits available to your spouse or other beneficiary under the Carpenters Retirement Plan if you die prior to retirement.

Topics Discussed In This Section

QUALIFICATIONS

If you are vested in this plan and die before you retire, a benefit may be available to your spouse or other designated beneficiary. The primary spouse's benefit is payable to a lawful spouse or minor dependent children. The qualified spouse's benefit is payable to a lawful spouse. The lump sum death benefit is payable to your spouse or, if you are not married, to your other eligible designated beneficiary.

To receive one of these benefits, your spouse or beneficiary must contact Carpenters Trusts.

PRIMARY SPOUSE'S BENEFIT

Eligibility

For your spouse or minor dependent children to receive this benefit, you must, at the time of your death, satisfy the five-year vesting rules and have at least 750 hours of service in this plan or in combination with a reciprocal plan during the three calendar years immediately preceding your death.

If you were age 55 or older but did not satisfy the activity test, your spouse may qualify for the primary spouse's benefit.

Amount

With this benefit, your spouse or minor dependent children receive a monthly income equal to your total monthly benefit at the time of your death. This benefit is paid to a spouse under age 62 until he or she attains age 62, remarries or dies, whichever occurs first. When your surviving spouse reaches age 62 or remarries, he or she may be eligible for the qualified spouse's benefit. If there is no surviving spouse or, if your spouse dies while receiving this benefit, the monthly income is paid to your minor dependent children until the youngest dependent child reaches age 18 (age 21 if a full-time student as determined by this plan), with the benefit divided equally among the minor dependent children.

- For additional information on the primary spouse's benefit, please see Article 8.2 on page 115.

QUALIFIED SPOUSE'S BENEFIT

Eligibility

If your spouse does not qualify for the primary spouse's benefit, he or she may be eligible for the qualified spouse's benefit. For your spouse to receive this benefit, you must satisfy the three– or five–year vesting rule and be eligible for early or normal retirement but not retired at the time of your death.

Amount

With this benefit, your surviving spouse receives the survivor's portion of a 50% joint and survivor benefit. This monthly income is payable to your spouse for his or her lifetime. If you die when you are age 55 or older, the qualified spouse's benefit begins in the month following your death. If you die before age 55, the benefit begins in the month you would have attained age 55 had you lived. The benefit is calculated as if you had survived until age 55 (please see Tables 3-6).

- For additional information on the qualified spouse's benefit, please see Article 8.3 on pages 115-117.

LUMP SUM DEATH BENEFIT

If you are vested in this plan and your spouse or minor children do not qualify for the primary spouse's benefit or the qualified spouse's benefit, your spouse may receive a lump sum payment of $5,000. If you are not married, you may designate another person to receive this benefit.

- For additional information on the lump sum death benefit, please see Article 8.4 on page 117.

IMPORTANT INFORMATION

Summary

Federal laws, including the Employee Retirement Income Security Act of 1974 (ERISA), protect your rights under this plan. These laws are described in detail in this section.

Topics Discussed In This Section

IMPORTANT INFORMATION

CLAIMS AND APPEALS PROCEDURES

Denial of Application or Claim

If your application for benefits (other than disability retirement benefits) or your claim to a benefit is denied, in whole or in part, you will be notified in writing of the denial within 90 days after receipt of your application or claim. This 90-day period may be extended for up to 90 days if required by special circumstances. If an extension is required, you will be notified in writing of such circumstances and the date by which a final decision is expected to be rendered before the end of the initial 90-day period.

If your application for disability retirement benefits is denied, in whole or in part, you will be notified in writing of the denial within 45 days after receipt of your application. This 45-day period may be extended for up to 30 days (to a total of 75 days) if the plan determines that an extension of time for making the determination is necessary due to matters beyond the control of the plan, and notifies you prior to the expiration of the initial 45-day period of the circumstances requiring the extension of time and the date by which the plan expects to render a decision. If the plan determines that an additional extension of time for making the benefit determination is necessary due to matters beyond the control of the plan, and notifies you prior to the expiration of the first 30-day extension period of the circumstances requiring the extension of time and the date by which the plan expects to render a decision, then the period for making a benefit determination may be extended by the plan for an additional 30 days (to a total of 105 days). If an extension is necessary due to your failure to submit information necessary to process the application, the notification of the extension will describe the necessary information, and you will be provided at least 45 days from receipt of the notification to submit the additional information. The period for making a determination will be tolled from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information. If an extension is necessary, the notification of the extension will specifically provide:

- An explanation of the standards on which entitlement to a benefit is based.
- The unresolved issues that prevent a decision on the application.
- The additional information needed to resolve the issues.

If your application or claim is denied, you will be notified in writing of the following:

- The specific reasons for the denial.
- Specific reference to pertinent plan provisions on which the denial is based.
- A description of any additional material or information necessary for you to perfect your application or claim and an explanation of why such material or information is necessary.
- An explanation of the plan's application and claim review procedure, including a statement of your right to bring a civil action under ERISA § 502(a).
- With a denial for disability retirement benefits, if an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, either the

specific rule, guideline, protocol, or other similar criterion, or a statement that such a rule, guideline, protocol, or other similar criterion was relied upon in making the determination and that a copy of the same will be provided free of charge to you upon request.

Request For Appeal

If your application or claim is denied, you have the right to appeal to the Board of Trustees for a review of the denial. This review is known as an appeal. The notice of appeal must be in writing and should contain the information described on pages 120-121 as well as the following information:

- A statement as to each ground on which you believe the decision or other action appealed from to have been in error.
- A list of the names and addresses of each person on whose testimony you will rely, in whole or in part, in support of the appeal, together with a short statement of the facts to which each person is expected to testify.
- A list of each document on which you will rely in support of your appeal.

You must make this request in writing to the Board of Trustees at Carpenters Trusts within 60 days after you are notified of the denial of your application or claim. With disability retirement benefit appeals, you must make this request in writing within 180 days after you are notified of the denial of your application or claim. The failure to file a written appeal within the time period described above will bar your right to appeal and the application or claim decision will be final.

Scheduling An Appeal

Upon receipt of a timely-filed appeal, the Trustees will set a date for your hearing, if requested. The appeal will be conducted by the Board of Trustees or by the Appeals Committee of the Board of Trustees, which has been given the authority for making a final decision in connection with the appeal.

The Trustees will review a properly filed appeal at the next regularly scheduled quarterly meeting of the Appeals Committee, unless the request for review is received by the Trustees within 30 days preceding the date of such meeting. In such case, the appeal will be reviewed no later than the date of the second quarterly meeting following the Trustees' receipt of the notice of appeal, unless there are special circumstances requiring a further extension of time, in which case a benefit determination will be rendered not later than the third quarterly meeting of the Appeals Committee following the Trustees' receipt of the notice of appeal. If such an extension of time for review is required because of special circumstances, such as a request for a hearing on the appeal, then prior to the commencement of the extension, the plan will notify you in writing of the extension, describe the special circumstances and the date as of which the benefit determination will be made.

Appeal Procedures

You are entitled to present your position and any evidence in support thereof, and may appear in person at the appeal hearing. You may be represented by an attorney or by any other representative of your choosing at your own expense. You may submit written comments, documents, records, and other information relating to your appeal. You will be provided upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to your appeal.

You must introduce sufficient credible evidence on appeal to establish, prima facie, entitlement to the relief from the decision or other action from which the appeal is taken. You will have the burden of proving your right to relief from the decision or action appealed, by a preponderance of evidence. The Trustees will review all comments, documents, records and other information submitted by you related to the appeal, regardless of whether such information was submitted or considered in the initial benefit determination. The Trustees will not afford deference to the initial adverse benefit determination.

When deciding an appeal of a denial for disability retirement benefits that is based in whole or in part on a medical judgment, the Trustees will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment. Any medical or vocational expert whose advice was obtained on behalf of the plan in connection with the adverse benefit determination will be identified to you upon request. Any health care professional engaged for the purpose of a consultation will not be an individual who was consulted in connection with the initial adverse benefit determination that is the subject of the appeal, nor the subordinate of any such individual.

Decision of Trustees

The Trustees will issue a written decision on review as soon as possible, but not later than five days after the determination is made. The decision will include:

- The specific reasons for the decision.
- Specific references to pertinent plan provisions on which the denial is based.
- A statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of all documents, records, and other information relevant to your appeal.
- In the case of a denial of disability retirement benefits, a statement of your right to bring a civil action under ERISA § 502(a).
- In the case of a denial of disability retirement benefits, if an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol, or other similar criterion, or a statement that such a rule, guideline, protocol, or other similar criterion was relied upon in making the determination and that a copy of the same will be provided free of charge to you upon request.

In deciding appeals, the Trustees have the discretionary authority and the exclusive right to construe and interpret the provisions of the plan, and to determine any and all questions arising thereunder or in connection with the administration thereof including the right to remedy possible ambiguities and inconsistencies or omissions. Any such construction or determination by the Trustees made in good faith shall be conclusive on all persons affected thereby.

Review of Trustees' Decision on Claim for Disability Benefits – Civil Action

Following issuance of a written decision of the Trustees on an appeal for disability retirement benefits, there is no further right of appeal to the Trustees or right to arbitration. Instead, you may bring a civil action under ERISA § 502(a). A civil action must be brought within 180 days of receipt of the Trustees' decision.

Review of Trustees' Decision on Other Claims – Arbitration

If you are dissatisfied with the written decision of the Trustees (other than a decision on a denial of disability retirement benefits), you may request a further appeal by arbitration in accordance with the Employee Benefit Plan Claims Arbitration Rules of the American Arbitration Association. Your request must be made in writing within 60 days of receipt of the Trustees' written decision. Failure to initiate arbitration timely will bar any further consideration of the appeal. If requested, the administrator will assist you in preparing the request for arbitration.
If the matter is submitted to arbitration, the appeal will be limited to a transcript of witness testimony, the exhibits and the Findings and Decision of the Trustees (or Appeals Committee of the Trustees). The arbitrator will not have the power or authority to add to, subtract from, or in any way modify the plan, the Trust Agreement, insurance contracts, if any, or the rules and regulations of the Trust. The expense of arbitration will be borne equally by you and the Trust unless otherwise ordered by the arbitrator. Each party is responsible for its own attorney fees. The decision of the arbitrator is final and binding on all parties, and judgment upon the award may be entered in any Court having jurisdiction thereof.

Questions on Review of Trustees' Decision

The question for consideration by the arbitrator will be whether, in the particular instance:

- The Trustees were in error upon an issue of law.
- The Trustees acted arbitrarily or capriciously in the exercise of their discretion.
- The Trustee's findings were supported by substantial evidence.

Sole and Excusive Procedure

The claim, appeal and arbitration procedures are the sole and exclusive procedures available to you and your beneficiaries if you are dissatisfied with a claim or eligibility determination or benefit award or you are adversely affected by any action of the Trustees.

✦ For additional information about the appeals procedure, please see Article 10.3 on pages 119-123.

YOUR RIGHTS UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT (ERISA)

As a participant in the Carpenters Retirement Plan of Western Washington you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants are entitled to:

Receive Information About Your Plan and Plan Benefits

- Examine, without charge, at Carpenters Trusts and at other specified locations, such as worksites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefits Administration.
- Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including collec-

tive bargaining agreements, and copies of the latest annual report (Form 5500 Series) and an updated summary plan description. The plan administrator may make a reasonable charge for the copies.

- Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The plan must provide the statement free of charge.

Prudent Actions By Plan Fiduciaries

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

Enforce Your Rights

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

Under ERISA, there are steps you can take to enforce these rights. For instance:

- If you request materials from the plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the plan administrator.
- If you have a claim for benefits which is denied or ignored, in whole or in part, you may request a hearing before the Board of Trustees. If you are dissatisfied with the Trustees' determination and the claim does not involve disability retirement benefits, you may request arbitration. In the alternative, you may file suit, but the court may dismiss the action in favor of the Trust's hearing and appeal procedures. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in federal court.
- If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person sued to pay these costs and fees. If you lose,

the court may order you to pay these costs and fees, for example, if the court finds your claim is frivolous.

Assistance With Your Questions

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor which is listed below, or you should contact the Division of Technical Assistance and Inquiries which is also listed below:

Employee Benefits Security Administration,
U.S. Department of Labor,
Seattle District Office
1111 Third Avenue, Suite 860
MIDCOM Tower
Seattle, WA 98101-3212
Phone (206) 553-4244; or

Division of Technical Assistance and Inquiries,
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 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 ("EBSA"). For single copies of publications, contact the EBSA Brochure Request Line at (800) 998-1542 or contact the EBSA filed office nearest you. You may also find answers to your plan questions at the website of the EBSA at http://www.dol.gov/ebsa/.

AMENDMENT AND TERMINATION

The Board of Trustees expressly reserves the right, in their sole discretion at any time and from time to time, but upon a nondiscriminatory basis, to:

- Terminate or amend either the amount or condition to eligibility with respect to any benefit even though such termination or amendment affects claims which have already accrued;
- Terminate this plan even though such termination affects claims which have already accrued;
- Alter or postpone the method of payment of any benefit;
- Construe the provisions of the plan and to determine any and all questions pertaining to administration, eligibility, and benefit entitlement, including the right to remedy possible ambiguities and inconsistencies or omissions. Any construction or determination by the Trustees made in good faith shall be conclusive on all persons affected thereby; and
- Amend or rescind any other provisions of this plan.

The Trust may be terminated by the employers and union by an instrument in writing executed by mutual consent at any time, subject, however, to all of the requirements and procedures for plan termination under ERISA and all regulations issued thereunder. Upon the termination of the Trust, any and all monies remaining in the Trust after the payment of all expenses shall be used for the continuance of one or more benefits of the type provided by the plan, until such monies have been exhausted. If the termination occurs as a result of merger, any and all monies and assets remaining in the Trust after payment of expenses, may be transferred to the surviving trust with which the merger was negotiated.

BENEFIT NOT GUARANTEED

None of the benefits provided in this plan are insured by any contract of insurance and there is no liability on the Board of Trustees or any other individual or entity to provide payments over and beyond the amount in the Trust Fund collected and available for such purpose.

PLAN TERMINATION INSURANCE (PBGC)

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

Under the PBGC 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. The maximum annual guarantee for a retiree with 30 years of service would be $12,870.00.

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

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

ADMINISTRATIVE INFORMATION

A. Plan Name	The plan is known as the Carpenters Retirement Plan of Western Washington.
B. Name, Address and Telephone Numbers of the Joint Board of Trustees	The plan is sponsored by a joint labor-management board of trustees. The Board's name, address and telephone number are: Board of Trustees Carpenters Trusts of Western Washington 2200 Sixth Avenue, Suite 300 Seattle, WA 98121 (206) 441-6514 Seattle Area (800) 552-0635 Nationwide A list of Trustees is on page 76. You and your beneficiary may obtain a complete list of the employer and employee organizations sponsoring the plan by written request to the Trustees. You may also examine this information at Carpenters Trusts or your Local Union Office upon ten days advance written request. The Trustees may impose a reasonable charge to cover the cost of furnishing these lists and you may wish to ask the amount of the charges before requesting copies.
C. Identification Number	The Internal Revenue Service employer identification number assigned to this plan is 91-6029051. In accordance with IRS instructions, the Trustees have assigned this plan the identification number of 001.
D. Type of Plan	The Carpenters Retirement Plan of Western Washington is a defined benefit plan that provides benefits upon retirement, disability retirement and preretirement death benefits.
E. Type of Administration	The plan is administered by a joint labor-management board of trustees with the assistance of a salaried administrative agent.
F. Name, Address and Telephone Numbers of the Salaried Administrator	Randy S. Parker Carpenters Trusts of Western Washington 2200 Sixth Avenue, Suite 300 Seattle, WA 98121 (206) 441-6514 Seattle Area (800) 552-0635 Nationwide

G. Description of Collective Bargaining Agreements	The plan is maintained according to the terms of collective bargaining agreements. You and your beneficiary may obtain a copy of an agreement by writing to the Trustees. You may also examine an agreement at Carpenters Trusts or your Local Union Office upon ten days advance written notice. The Trustees may impose a reasonable charge to cover the cost of furnishing an agreement and you may wish to ask the amount of the charges before requesting copies.
H. Eligibility and Benefits	You are entitled to participate in this plan if you work under a collective bargaining agreement described in item G, and if your employer is required to make contributions to the Trust Fund on your behalf. The eligibility rules which determine who is entitled to participate are on page 7. The suspension rules are on pages 47-52. Copies of these booklets are available from Carpenters Trusts at the address in item B, or your Local Union Office. There is no charge for them.
I. Source of Contributions	The Carpenters Retirement Plan of Western Washington is funded by employer contributions. The contribution amount is specified in the collective bargaining agreements described in item G.
J. Entities Used For Accumulation of Assets and Payment of Benefits	Contributions paid into the plan to obtain benefits are received and held in trust by the Board of Trustees, pending payment of retirement benefits and administrative expenses.
K. Plan Year	January 1 through December 31.
L. Agent For Legal Process	Randy S. Parker Carpenters Trusts of Western Washington 2200 Sixth Avenue, Suite 300 Seattle, WA 98121 (206) 441-6514 Seattle Area (800) 552-0635 Nationwide Service for legal process may also be made on each member of the Board of Trustees.
M. Plan Actuary	Paul Graf, ASA, EA, MAAA Rael & Letson 999 Third Avenue S, Suite 1530 Seattle, WA 98104 (206) 445-1852

CARPENTERS RETIREMENT PLAN OF WESTERN WASHINGTON

RESTATED AS OF JANUARY 1, 2017

(AMENDMENTS 1 AND 2 INCORPORATED)

WHEREAS, with the passage of the Employee Retirement Income Security Act of 1974 (ERISA) and the adoption of final regulations implementing the Act by the Internal Revenue Service and the Department of Labor, it became necessary to amend the Retirement Plan to conform to the Act and regulations promulgated thereunder, effective as of the Plan Year beginning January 1, 1976; and

WHEREAS, the Plan was restated effective January 1, 1986, January 1, 1988, January 1, 1990, January 1, 1994, January 1, 2001, November 1, 2003, November 1, 2009 and July 1, 2014 to include amendments to the Retirement Plan; and

WHEREAS, it is now desirable and necessary to further amend and restate the Plan to reflect amendments adopted at an October 4, 2016 meeting of the Board of Trustees implementing a new benefit accrual structure effective as of January 1, 2017, and certain other amendments adopted at the March 28, 2017 meeting of the Board of Trustees;

NOW, THEREFORE, the Trustees do hereby adopt the following Carpenters Retirement Plan of Western Washington, restated and amended as of January 1, 2017.

ARTICLE 1. DEFINITIONS

1.1 <u>Terms Common to the Trust Agreement</u>

Whenever the terms "Collective Bargaining Agreement," "Individual Employer," "Employee," "Associate Employee," "Fund," and "Trustees" are used herein, they shall have the meanings given to these terms in the Trust Agreement.

Except where otherwise indicated, the words "Employees" and "Associate Employees" shall have the same meaning in administrating the Plan, except where otherwise specifically provided as to "Associate Employees."

1.2 <u>Annuity Starting Date</u>

"Annuity Starting Date" shall mean the first day of the first period for which an amount is payable as an annuity, or in the case of a benefit not payable as an annuity, the first day on which all events have occurred which entitle the Employee to such benefit. Notwithstanding the foregoing, in the case of an Employee retired on a Disability Retirement, the "Annuity Starting Date" shall mean the date the Employee attains age 65.

1.3 <u>Actuarial Equivalent or Actuarially Equivalent</u>

"Actuarial Equivalent" or "Actuarially Equivalent" shall mean, for determining Plan benefits, calculations made to produce equal present values.

1.3.1 <u>Benefit Accruals On and After January 1, 2017</u>. For benefit accruals earned on and after January 1, 2017, the determination of whether benefits are Actuarially Equivalent, including Actuarial Equivalence of the 50 percent, 75 percent, and 100 percent Joint and Survivor and Contingent Benefit Options, shall be based on the applicable mortality assumption prescribed by the Secretary of the Treasury under Code § 417(e)(3)(B) and the Hurdle Rate as described in Article 6.1.3(b)(1).

1.3.2 <u>Benefit Accruals Prior to January 1, 2017</u>. For benefit accruals earned prior to January 1, 2017, the determination of whether benefits are Actuarially Equivalent shall be made based on the 1984 Unisex Pension Mortality Table, and an interest rate of seven percent (7%). Actuarial reductions for the 50 percent, 75 percent, and 100 percent Joint and Survivor and Contingent Benefit Options are explicitly stated in an Appendix to the Plan. The mortality table applicable for adjusting benefits or limitations under Internal Revenue Code (Code) § 415(b)(2) and for determining the present value of Plan benefits under Code § 417(e)(3) shall be the applicable mortality assumption prescribed by the Secretary of the Treasury under Code § 417(e)(3)(B).

1.3.3 <u>Assumptions for Purposes of Internal Revenue Code § 415 Limitations</u>. Notwithstanding subsections 1.3.1 and 1.3.2, for distributions after December 31, 2003 and before January 1, 2006, the applicable interest rate assumption for adjusting benefits under Code § 415(b) in a form subject to Code § 417(e)(3) shall be the greater of 5.5% or the rate specified in Code § 417(e) for the fifth month preceding the stability period, which shall be the Plan Year, provided that amounts payable before January 1, 2005 shall not be less than the amount payable using the interest rate assumption in effect on December 31, 2003. For distributions after December 31, 2005, the applicable interest rate assumption for adjusting benefits under Code § 415(b) in a form subject to Code § 417(e)(3) shall be the greater of 5.5% or the rate that provides a benefit of not more than 105% of the benefit that would be provided if the applicable interest rate (as defined in § 417(e)(3)) were the interest rate assumption for the fifth month preceding the stability period, which shall be the Plan Year.

1.4 Compensation

"Compensation" means an Employee's wages within the meaning of Internal Revenue Code § 3401(a) and all other payments of compensation to an Employee by the Individual Employer (in the course of an Individual Employer's trade or business) for which the Individual Employer is required to furnish the Employee a written statement under Code § 6049(d) and § 6051(a).

"Compensation" shall also include elective deferrals defined in Internal Revenue Code § 402(g)(3), including elective deferrals under § 401(k), § 402(e)(3), § 402(h), § 403(b) or § 408(p)(2)(A)(i), elective contributions or deferrals not included in gross income under Internal Revenue Code § 125 and § 457, and elective reductions under Internal Revenue Code § 132(f)(4).

1.5 Combined Service Credit

"Combined Service Credit" shall mean the total of an Employee's Credited Service under this Plan and Reciprocal Service under Article 5.2.1. No more than one year of Combined Service Credit shall be counted for the benefit of any Employee in any calendar year.

1.6 Computation Period

"Computation Period" shall mean the Plan Year for all purposes.

1.7 Covered Service

"Covered Service" shall mean the Hours of Service of an Employee for which a contribution to the Retirement Plan is required to be made under the terms of a Collective Bargaining Agreement, or other written contribution agreement.

1.8 Credited Future Service

1.8.1 "Credited Future Service" shall mean the years of service credited to any Employee after January 1, 1960. From January 1, 1960 through December 31, 1964, an Employee will be credited with one-half of a year of Future Service for any calendar year in which he has at least 500, but less than 1,000 Hours of Service, and one year of Future Service for any calendar year in which he has 1,000 or more Hours of Service. On or after January 1, 1965, an Employee will be credited with one-half of a year of Future Service for any calendar year in which he has at least 500, but less than 750 Hours of Service, and three-quarters of a year of Future Service for any calendar year in which he has at least 750, but less than 1,000 Hours of Service, and one year of Future Service for any calendar year in which he has 1,000 or more Hours of Service. An Employee will receive no credit for Future Service in a calendar year in which he has less than 500 Hours of Service.

1.8.2 Effective January 1, 1968, after an Employee has reached his Normal Retirement Date, and prior to his actual retirement, he may continue to accumulate Credited Future Service as a result of Covered Hours of Service.

1.8.3 After January 1, 1976, or the Unit Entry Date, if later, an Employee shall also be entitled to a year of Credited Future Service for vesting purposes and to avoid a Break in Service (but not for benefit accrual purposes) for each year of Non-Covered Service with any Employer required to make contributions under this Plan, if the service is contiguous. Non-Covered Future Service is contiguous if: (1) the Non-Covered Service precedes or follows Covered Service; and (2) no quit, discharge, or retirement occurs between such Covered Service and Non-Covered Service.

Contiguous Non-Covered Service may be used to satisfy the requirement of 750 Hours of Service in this Plan in the three (3) consecutive Plan Year periods immediately preceding an Employee's Special Early or Rule of 80 Early Retirement Dates under Articles 4.2.2 and 4.2.3, an Employee's Disability Retirement Date under Article 4.3, or for the Pre-retirement Survivor Benefit of Article 8.2.

1.8.4 An Employee with at least one (1) previous year of service in this Plan shall also be entitled to Credited Future Service for vesting purposes and to avoid a Break in Service (but not for benefit accrual purposes), for service under a residential bargaining agreement that does not require contributions to this Plan, if the employer is required to make contributions on behalf of the Employee for that service to the Carpenters Health and Security Plan of Western Washington. The amount of service earned in this Plan will be equal to the hours of service earned in the Health and Security Plan.

The maximum years of service that can be earned under this Article 1.8.4 is four years.

This Article 1.8.4 will be effective for retirements with an Annuity Starting Date on or after January 1, 1995, for service rendered prior to or after January 1, 1995.

1.8.5 Effective April 1, 2009, an Employee shall receive one year of Credited Future Service for vesting purposes and to avoid a Break in Service (but not for benefit accrual purposes) for each consecutive Plan Year in which the Employee worked 1,000 hours or more in work of the type covered by a Collective Bargaining Agreement which is with an Individual Employer immediately preceding the date that Individual Employer first begins contributing to the Plan. An Employee is only entitled to Credited Future Service under this Article 1.8.5 if: (1) the Employee's Individual Employer first begins contributing to the Fund on or after April 1, 2009; (2) the Employee is employed by the Individual Employer on the date the Individual Employer first begins contributing to the Fund; and (3) the Employee earns 1,000 or more Hours of Service with that Individual Employer in the Plan Year in which the Individual Employer first begins contributing to the Plan, or in the immediately following Plan Year. The maximum years of service that can be earned under this Article 1.8.5 is four years. Credited Future Service earned under this Article 1.8.5 will not be used for purposes of determining whether an Employee qualifies for the Rule of 80 Early Retirement.

No more than one year of Credited Future Service will be counted under this Article 1.8 for the benefit of any Employee in a calendar year.

1.9 Credited Past Service

"Credited Past Service" shall mean the number of completed whole years of continuous service rendered by an Employee immediately prior to January 1, 1960, up to the maximum determined by his age in accordance with the following table:

Attained Age as of January 1, 1960	Maximum Years of Credited Past Service
55 and under	10

Subject to such maximum, an Employee will be entitled to Credited Past Service for each calendar year during his most recent period of continuous service in which he was employed for 500 or more Hours of Service. The continuous service of an Employee will be considered to have been broken in any calendar year in which he had less than 500 Hours of Service. For purposes of this Article 1.9 and to the extent required by applicable law, periods of service with the Armed Forces of the United States may also be used to establish continuous service or to prevent a break in continuous service. For the purpose of substantiating entitlement to Credited Past Service, the Trustees shall consider all credible evidence thereof presented by the Employee, and may consider proof of the Employee's continuous dues paid membership in the Union as evidence of such continuous service during a particular calendar year.

In order for an Employee to be entitled to any Credited Past Service, Employer Contributions must have been made on his behalf for an aggregate of at least 750 hours of covered service under one or more of the following trusts, namely the Carpenters Health and Security Trust Fund, the Home Builders and Carpenters Health and Security Trust Fund, the Home Builders Security Trust Fund of the State of Washington, and the AGC Security Plan during the three calendar years of 1957, 1958 and 1959.

1.10 Credited Service

"Credited Service" shall mean Credited Past Service, if any, and Credited Future Service.

1.11 Employer Contributions

"Employer Contributions" shall mean the contributions that an Individual Employer is required to make to the Fund under the terms of a Collective Bargaining Agreement or under the terms of a written contribution agreement between an Individual Employer and the Trustees.

1.11.1 "Accruing Employer Contributions" shall mean Employer Contributions reduced by the following amounts (expressed as cents per hour or percentage of Employer Contributions) as recommended by the Plan actuary and approved by the Board of Trustees:

(a) An amount to fund the Rule of 80 surcharge, which shall be as follows:

(1) 16.7% of Employer Contributions after the reduction under Article 1.11.1(b) for Hours of Service from June 1, 2000 through August 31, 2017; and

(2) 16.7% of Employer Contributions after the reduction under Articles 1.11.1(b) and (c) for Hours of Service on and after September 1, 2017.

(b) An amount to improve the overall funded status of the Plan. Effective for Hours of Service on and after June 1, 2009, the funding improvement contribution is 26% of Employer Contributions, but not to exceed a reduction of $1.25 per hour; provided that for Hours of Service worked under a public job or project agreement and performed at a pre-determined and/or prevailing wage rate established under the federal Davis-Bacon Act or Washington State, Prevailing Wage on Public Works statute, this Article 1.11.1(b) is effective on the earlier of the date the rate is reset to the rate maintained by the Master Agreement or June 1, 2010.

(c) An amount to fund the SIB Stabilization Reserve which shall be the following percentage of Employer Contributions after the reduction under Article 1.11.1(b) but before the reduction in Article 1.11.1(a):

(1) 2.3% for Hours of Service from September 1, 2017 through May 31, 2018;

(2) 3.9% for Hours of Service from June 1, 2018 through May 31, 2019;

(3) 5.5% for Hours of Service from June 1, 2019 through May 31, 2020;

(4) 6.4% for Hours of Service from June 1, 2020 through May 31, 2021; and

(5) 7.4% for Hours of Service on and after June 1, 2021.

1.12 Highly Compensated Employee

"Highly Compensated Employee" for purposes of complying with nondiscrimination provisions under Internal Revenue Code § 401(a)(4) and § 410(b), shall mean a non-collectively bargained Employee who during the Plan Year being tested: (a) is a five percent owner at any time during the year or the preceding year; or (b) for the preceding year, had compensation in excess of $85,000 (adjusted under Internal Revenue Code § 414(q)). The Plan shall use January 30th, as a snapshot day, for purposes of complying with the nondiscrimination provisions and determining who is Highly Compensated.

1.13 Hour of Service

"Hour of Service" shall mean each hour for which an Employee is paid or entitled to payment for Covered Service by an Individual Employer on account of: (1) performance of duties for the Individual Employer; (2) non-performance of duties due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence; and (3) an award of back pay, irrespective of mitigation of damages, agreed to by the Individual Employer. Hours shall not be credited under both (3) and (1) or (2). Hours of Service shall be determined on the basis of actual hours for which the Employee is paid or entitled to payment. Notwithstanding the foregoing, no more than 501 Hours of Service shall be credited to an Employee for any single continuous period during which the Employee performs no duties. Hours for non-performance of duties shall be credited in accordance with DOL Regulation § 2530.200b-2(b). Hours shall be credited to the applicable Computation Period in accordance with DOL Regulation § 2530.200b-2(c).

1.14 Lump Sum Present Value

"Lump Sum Present Value" shall

be determined using the 1984 Unisex Pension Mortality Table and the applicable interest rate, equal to the rate which would be used by the Pension Benefit Guaranty Corporation in valuing a Lump Sum Distribution for a plan terminating on January 1 of the year of determination. In no event shall the value of the lump sum be less than that calculated using the applicable mortality table and applicable interest rate specified in Internal Revenue Code § 417(e)(3). The applicable interest rate under Internal Revenue Code § 417(e)(3) shall be that specified for the second month preceding the Plan Year in which the lump sum value is determined.

1.15 Non-Covered Service

"Non-Covered Service" shall mean service with one of the Individual Employers who is required to make contributions to the Fund but in an employment category which is not covered by a Collective Bargaining Agreement or written contribution agreement.

1.16 Participant

"Participant" shall mean an Employee who participates in the Plan pursuant to Article 3.1.

1.17 Plan Administrator

"Plan Administrator" shall mean the Board of Trustees under the Trust Agreement. The Trustees will employ an administrator to assist them in administering the Plan.

1.18 Plan Year

"Plan Year" shall mean the period from January 1 through December 31 of each year.

1.19 Reciprocal Credited Service

"Reciprocal Credited Service" or "Reciprocal Service" shall mean such form of service credit as shall have been accumulated by an Employee under a Reciprocal Plan pursuant to Article 5.2. For purposes of determining eligibility for a Pro Rata Reciprocal Pension under Article 5.2 "Reciprocal Credited Service" or "Reciprocal Service" includes hours transferred by this Plan to a Reciprocal Plan in a money-follows-the-man transfer under Article 5.3 for which credit is provided by the Reciprocal Plan, and such hours are not treated as Credited Service under this Plan. The Trustees shall compute Reciprocal Credited Service on the basis of that credit which has been earned and credited under the Reciprocal Plan and certified by the Reciprocal Plan to the Trustees of this Plan.

1.20 Reciprocal Pensions

"Reciprocal Pensions" shall mean the benefits provided under Article 5 hereto for Employees whose work has been divided among areas with which the Carpenters Retirement Trust of Western Washington has a subsisting "Reciprocal Pension Agreement," providing for some form of reciprocity in the accumulation of Pension Credit or Service Credit or in the transfer of contributions.

1.21 Reciprocal Plan

"Reciprocal Plan" shall mean any other pension plan which is a party to a "Reciprocity Agreement" and which has been recognized by the Board of Trustees.

1.22 Retirement Plan

"Retirement Plan" shall mean this Carpenters Retirement Plan of Western Washington.

1.23 Trust

"Trust" shall mean that Trust originally created and established on January 1, 1960, as amended.

1.24 Union

"Union" shall mean the Pacific Northwest Regional Council of Carpenters and its Union Locals who are signatory to a Collective Bargaining Agreement.

ARTICLE 2. EFFECTIVE DATE

The effective date of the Plan was January 1, 1960. The effective date of this restated and amended Plan is January 1, 2017. The eligibility for and amount of benefits of Employees who terminated or retired prior to January 1, 2017 shall be determined in accordance with the provisions of the Plan in effect as of the date of the Employee's termination or retirement, unless specifically provided otherwise herein.

ARTICLE 3. ELIGIBILITY, VESTING AND FORFEITURES

3.1 Initial Eligibility and Participation

An Employee, Associate Employee, former Employee, or former Associate Employee, who was covered under the Plan in effect on December 31, 1975, shall continue to be covered as a Participant on January 1, 1976, in accordance with the terms of this Plan. Any individual who becomes an Employee or Associate Employee after January 1, 1976, shall commence participation in the Plan beginning with the initial hour in which work is performed for which a contribution is required to the Plan and shall continue to be a Participant until such time that the Employee incurs a One-Year Break in Service or all benefits due under the Plan have been paid to the Employee or the Employee's beneficiaries. A Participant shall receive Credited Future Service toward retirement benefits as provided in Article 1.8, based upon his Hours of Service during the calendar year, and such Credited Past Service as is provided by Article 1.9 hereof. Sole proprietors and partners are not eligible to participate in the Plan.

3.2 Vesting and Forfeiture of Employee's Interest to Retirement Benefits

3.2.1 Vesting.

(a) Ten Year Vesting. When an Employee completes ten years of Credited Service with at least one year of Credited Future Service, the Employee's right to benefits under this Plan shall become vested and are not thereafter subject to forfeiture. Upon meeting the qualifications for a retirement benefit, the Employee shall be entitled to receive all of the benefits provided under this Plan, or if the Employee dies before retirement, such death benefits as are provided under the Plan for qualified designated beneficiaries of the Employee.

(b) Five Year Vesting. Effective January 1, 1988, when an Employee completes five (5) years of Credited Future Service in this Plan, all of which is earned in Plan Years commencing on or after January 1, 1985, the Employee's right to benefits under this Plan shall become vested and is not thereafter subject to forfeiture. Effective January 1, 1988, for Employees with Credited Future Service earned prior to January 1, 1985, which was not forfeited as a result of a Permanent Break in Service, when the Employee earns at least 750

Hours of Service in this Plan in any three (3) consecutive Plan Year period commencing on or after January 1, 1985, and completes five (5) years of Credited Future Service in this Plan, or has earned one (1) hour of service on or after January 1, 1999, and has not incurred a break in service as of January 1, 1999, the Employee's right to benefits under this Plan shall become vested and are not thereafter subject to forfeiture.

(c) Three Year Vesting. Effective January 1, 2017, when an Employee completes three (3) years of Credited Future Service in this Plan, the Employee's right to benefits under this Plan shall become vested and are not thereafter subject to forfeiture, provided the Employee did not have a Permanent Break in Service on or before December 31, 2016 prior to becoming vested under Article 3.2.1(a) or (b). A non-vested Employee who forfeited all rights under this Plan due to a One-Year Break in Service in 2016 must reinstate the previously forfeited rights prior to a Permanent Break in Service in order to become vested under this Article 3.2.1(c).

3.2.2 Forfeiture. An Employee who fails to qualify for vesting under Article 3.2.1 is non-vested. A non-vested Employee who incurs a Permanent Break in Service (Termination), as defined in Article 3.4, shall forfeit all previously accrued rights to benefits under this Retirement Plan.

3.3 One-Year Break in Service

A non-vested Employee who fails to complete 500 or more Hours of Service in a Plan Year shall have a One-Year Break in Service as to each such Plan Year unless the Employee is granted a Leave of Absence under Article 3.6 below. If an Employee incurs a One-Year Break in Service, all rights under this Plan shall be forfeited unless recovered pursuant to Article 3.5. If an Employee incurs his first One-Year Break in Service on or after January 1, 1994, the Employee shall be deemed to have received a $0 distribution, unless his rights have been recovered pursuant to Article 3.5.

3.4 Permanent Break in Service (Termination)

A non-vested Employee who incurs one or more One-Year Breaks in Service, whose accumulated Credited Future Service prior to the first One-Year Break in Service is not restored under the Rule of Parity or the Five-Year Rule of Article 3.5 or who is not granted a Leave of Absence (Article 3.6) will incur a Permanent Break in Service (Termination), and will forfeit permanently all previously accrued rights to benefits.

No Employee shall be deemed terminated from the Plan prior to January 1, 1989, if the Employee earned 750 Covered Hours of Service in each consecutive three (3) year period between commencement of participation and January 1, 1989, even though the Employee may have incurred a One-Year or Permanent Break in Service under Article 3.3 or 3.4.

3.5 Reinstating One-Year Breaks in Service

3.5.1 Rule of Parity. After December 31, 1975, if after incurring one or more One-Year Breaks in Service an Employee earns 500 or more Hours of Service during a subsequent Plan Year, the Employee's previously forfeited rights shall be recovered if the number of consecutive One-Year Breaks in Service are less than the previously forfeited Years of Credited Service (Rule of Parity); provided such credits shall not be reinstated until the first Plan Year after the Employee earns 500 or more Hours of Service in this Plan or a Related Plan. Reinstatement shall then be retroactive to the commencement of that calendar year.

3.5.2 Five Year Rule. Notwithstanding any other provision herein, if after incurring one or more One-Year Breaks in Service an Employee earns 500 or more Hours of Service during a subsequent Plan Year commencing after December 31, 1985, the Employee's previously forfeited rights shall be recovered if such Hours of Service are earned before the Employee incurs five (5) consecutive One-Year Breaks in Service; provided such credits shall not be reinstated until the first Plan Year after the Employee earns 500 or more Hours of Service in this Plan or a Related Plan. Reinstatement shall then be retroactive to the commencement of that calendar year. The five-year rule only applies to Participants who did not have a Permanent Break in Service as of December 31, 1985.

3.6 Leave of Absence

An Employee who is absent in one of the following categories for a period of six months or more may be allowed a Leave of Absence for one of the reasons listed below, but only for such period as stated below:

3.6.1 Absence due to service with the Armed Forces of the United States for such periods as required by applicable law. To the extent required by law, an Employee may also be granted a Leave of Absence when absent for a period of less than six months due to service with the Armed Forces of the United States;

3.6.2 Absence due to disability, for a two (2) year period, subject to further consideration after that time if the disabling condition continues, provided the Employee submits proof of such disability satisfactory to the Trustees;

3.6.3 Absence while serving as an Employee or official of the Union for up to three (3) years;

3.6.4 Absence while on each Maternity or Paternity Leave, as defined below, up to a maximum of 501 Hours of Service for each such leave. Employees on Maternity or Paternity Leave will be credited with Hours of Service toward vesting and to avoid a Break in Service, provided that to be credited with hours toward vesting, the Employee must return from Maternity or Paternity Leave and earn one-half year of Credited Future Service based upon Hours of Service under Article 1.13 prior to incurring a Permanent Break in Service. Employees will be credited with the Hours of Service for the specific period of absence except that all hours of service for a Maternity or Paternity Leave will be credited to the Plan Year in which the absence begins if necessary solely to avoid a One-Year Break in Service in that year; otherwise, they will be credited to the immediately following Plan Year. For purposes of this Article 3.6.4, an Employee shall be deemed to be on Maternity or Paternity Leave if the Employee is absent from work by reason of the pregnancy of the Employee, by reason of the birth of a child of the Employee, by reason of the placement of a child with the Employee in connection with the adoption of the child by such Employee, or for the purpose of caring for such child during the period immediately following such birth or placement;

3.6.5 Non-participation in this Plan by a non-vested Employee with at least one (1) previous year of service in this Plan during any time after June 1, 1986, when the Employee's employer was not required to make contributions to this Plan but did make contributions to the Carpenters Health and Security Trust of Western Washington on behalf of the Employee.

ARTICLE 4. QUALIFICATION FOR RETIREMENT

4.1 **Normal Retirement Date**

An Employee who has completed at least one (1) year of Credited Future Service in this Plan shall be eligible for and have a nonforfeitable right to Normal Retirement upon attainment of his Normal Retirement Date. An Employee's Normal Retirement Date is the earlier of: (a) the date the Employee attains age 65 and is vested under Article 3.2; and (b) the later of the date the Employee attains age 65, or the fifth anniversary of the time the Employee commenced participation in this Plan without incurring a Permanent Break in Service under Article 3.4 or a zero cash-out under Article 3.3 (unless the Employee's rights have been recovered pursuant to Article 3.5).

4.2 **Early Retirement Date**

4.2.1 **Regular Early Retirement Date.** An Employee who has attained age 55 shall be eligible to elect Early Retirement as follows:

(a) Upon completion of ten (10) years of Credited Service, of which at least one is Credited Future Service.

(b) Effective January 1, 1988, upon completion of five (5) years of Credited Service in this Plan.

(c) Effective January 1, 2017, upon completion of three (3) years of Credited Future Service in this Plan, including Credited Future Service before January 1, 2017 provided the Employee did not have a Permanent Break in Service on or before December 31, 2016 prior to becoming vested under Article 3.2.1(a) or (b).

An Employee who retires may elect Early Retirement beginning with the first day of any month coinciding with or following the date of the Employee's written election or the first month following the date the Employee satisfies the above requirements, if later, but prior to the Employee's 65th birthday. The Early Retirement benefit under this Article shall be subject to the Early Retirement reduction factors of Article 6.2.1.

4.2.2 **Special Early Retirement Date.** An Employee who has attained age 55, and earned 750 Hours of Service in this Plan in the three (3) consecutive Plan Year period immediately preceding the Employee's retirement date shall be entitled to elect Special Early Retirement as follows:

(a) Effective January 1, 1988, upon completion of five (5) years of Credited Service in this Plan.

(b) Effective January 1, 2017, upon completion of three (3) years of Credited Service in this Plan, including Credited Future Service before January 1, 2017 provided the Employee did not have a Permanent Break in Service on or before December 31, 2016 prior to becoming vested under Article 3.2.1(a) or (b).

An Employee who retires may elect Special Early Retirement beginning with the first day of any month coinciding with or following the date of the Employee's written election or the first month following the date the Employee satisfies the above requirements, if later, but prior to the Employee's 65th birthday. The Special Early Retirement benefit under this Article 4.2.2 shall be subject to the Early Retirement reduction factors of Article 6.2.2.

4.2.3 Rule of 80 Early Retirement Date. Effective June 1, 2000, an Employee who has attained age 55, earned 750 Hours of Service in the Plan in the three (3) consecutive Plan Year period immediately preceding the Employee's retirement date, and whose age plus whole years of Credited Years of Service in the Carpenters Retirement Plan of Western Washington equals at least 80, shall be entitled to elect Rule of 80 Early Retirement for Annuity Starting Dates commencing June 1, 2000, subject to the following rules:

(a) The Employee must submit his application to the Trust Office no later than the month before the Annuity Starting Date.

(b) An Employee who elects the Rule of 80 Early Retirement and returns to work shall have his benefits suspended in accordance with Article 6.4, provided that if benefits were ever suspended under Article 6.2.3(b)(2) or 6.4.1(a), then when payments resume benefits will be calculated in accordance with Article 6.2.3(b).

(c) Effective for Annuity Starting Dates commencing on or after January 1, 2003, Reciprocal Credited Service earned under the Oregon Washington Carpenters-Employers Pension Plan shall count toward establishing the whole years of Credited Future Service used in determining eligibility for the Rule of 80 Early Retirement (but not for determining the 750 Hours of Service in three (3) consecutive Plan Years). Effective for monthly benefits payable on or after January 1, 2009, Reciprocal Credited Service earned under the Washington, Idaho, Montana Carpenters-Employers Retirement Plan prior to January 1, 1991 shall count toward establishing the whole years of Credited Future Service used in determining eligibility for the Rule of 80 Early Retirement (but not for determining the 750 Hours of Service in three (3) consecutive Plan Years). No more than one year of Combined Service Credit shall be counted toward establishing eligibility for the Rule of 80 Early Retirement in any Plan Year. Except as provided in this Article 4.2.3, Reciprocal Credited Service shall not count toward establishing eligibility for the Rule of 80 Early Retirement.

4.3 Disability Retirement Date

An Employee who becomes totally and permanently disabled, as defined in Article 7 of the Plan, who has earned ten (10) years of Credited Service, of which at least one (1) is Credited Future Service in this Plan, and who has earned at least 750 Hours of Service in this Plan or in a Reciprocal Plan in the three (3) consecutive Plan Year period prior to the Employee's disability, shall be eligible to elect a Disability Retirement, which may be the first of any month coinciding with or following the date of the Employee's written election, or the date the Employee satisfies the above requirements, if later, but prior to the Employee's 65th birthday (Disability Retirement Date).

ARTICLE 5. RECIPROCITY

5.1 **Purpose**

5.1.1 Reciprocity is provided under this Retirement Plan for Employees who would otherwise lack sufficient service credit to be eligible for any pension because their years of employment were divided between this Plan and a Reciprocal Plan, or if eligible, whose pensions would be less than the full amount because of such division of employment.

5.1.2 The Plan will provide a pro-rata Reciprocal Pension pursuant to Article 5.2 as follows:

(a) For hours worked prior to January 1, 1991; or

(b) For hours worked after January 1, 1991, when the Reciprocal Plan has not been amended to allow for a transfer of contributions (money-follows-the-man) to the Plan as a Reciprocal Plan; or

(c) For hours worked after January 1, 1991, when the Employee has not made a timely request pursuant to Article 5.3.2 for transfer of contributions.

5.1.3 The Plan will provide a pension pursuant to the provisions of this Plan, when money-follows-the-man contributions for hours worked on or after January 1, 1991 are transferred to the Plan as the Home Fund pursuant to Article 5.3. The Plan will transfer money-follows-the-man contributions to an Employee's Home Fund pursuant to Article 5.3, and a pension will be provided pursuant to the provisions of the Home Fund's Plan if the hours are worked on or after January 1, 1991, and the Employee makes a timely request for transfer of contributions pursuant to Article 5.3.2.

5.1.4 Reciprocity shall not apply to Employees retired prior to October 28, 1969.

5.2 **Pro-Rata Reciprocal Pensions**

5.2.1 **Reciprocal Service.** Reciprocal Service shall be provided pursuant to this Article 5.2 for hours worked as described under Article 5.1.2. Reciprocal Service will count toward establishing vesting and eligibility for Normal Retirement (except under the fifth anniversary rule), Regular Early Retirement (for Employees with ten (10) years of Credited Service), Disability Retirement and pre-retirement death benefits under Articles 8.2 and 8.3. Reciprocal Service will not count toward establishing eligibility for five year vesting under Article 3.2.1(b), for three year vesting under Article 3.2.1(c), for Normal Retirement under the fifth anniversary rule for participation under Article 4.1, for Regular Early Retirement (for Employees with less than ten (10) years of Credited Service), or for the Special Early Retirement Benefit under Article 6.2.2. Except as provided under Article 4.2.3, Reciprocal Credited Service will not count toward establishing eligibility for the Rule of 80 Early Retirement.

5.2.2 **Eligibility.** Except as otherwise provided in 5.2.1 above, an Employee shall be eligible for a Pro-Rata Reciprocal Pension under this Plan if he satisfies all of the following requirements:

(a) He would be eligible for any type of pension under this Plan (other than a Pro-Rata Reciprocal Pension) if his Combined Service Credit were treated as Credited Service under this Plan; and

(b) In addition to any other requirements necessary to be eligible under (a), he has under this Plan at least one (1) year of Future Service Credit based on actual employment after January 1, 1960, for which contributions have been made to this Plan.

5.2.3 Breaks in Service. Hours earned under any Reciprocal Plan will be used to prevent a Break in Service and a possible loss of Credited Service.

5.2.4 Election of Pensions. If an Employee is eligible for more than one type of pension under this Plan, he shall be entitled to elect the type of pension he is to receive.

5.2.5 Reciprocal Pension Amount. The amount of the Pro-Rata Reciprocal Pension under this Article 5.2 shall be that amount to which the Employee is entitled based on the Credited Service, both past and future, he has earned under this Plan.

5.2.6 Payment of Reciprocal Pensions. The payment of a Pro-Rata Reciprocal Pension under this Article 5.2 shall be subject to all of the conditions contained in this Plan applicable to other types of pensions including, but not limited to, retirement as herein defined and timely application. Pro-Rata Reciprocal Pension payments subject to this Article 5.2 shall be limited to monthly pension or survivor death benefit payments; subject to the right of the Trustees to require the payments to be semi-annual, if the monthly payments are below a minimal amount established by the Trustees from time to time.

5.2.7 No Transfer of Money. For hours worked prior to January 1, 1991, there was no money-follows-the-man transfer of Employer Contributions between Reciprocal Plans.

5.2.8 Non-Duplication of Credits. An Employee shall not receive double credit for the same period of employment. No more than one year of Combined Service Credit shall be given for all employment in any given year.

5.2.9 Combining Payments. Pro-Rata Reciprocal Pensions will be issued separately by this Plan but if the Trustees so desire, they may make arrangements with the Trustees of another Reciprocal Plan to combine the payments on one check to the retiree.

5.3 Money-Follows-the-Man Pension

5.3.1 Transfer of Contributions. At the timely request of an Employee pursuant to Article 5.3.2, Employer Contributions made to the Retirement Plan for hours worked on and after January 1, 1991, shall be transferred to the Home Fund, provided the Home Fund is a Reciprocal Plan which has adopted money-follows-the-man, and further provided the Employee elects to transfer contributions made to the Carpenters Health and Security Trust of Western Washington under its applicable money-follows-the-man rules. If the Retirement Plan is the Home Fund of the Employee and the Employee makes timely request, the Retirement Plan will accept contributions from the Reciprocal Plan for hours worked on and after January 1, 1991, provided the Employee elects to transfer health and security contributions to the Carpenters Health and Security Trust of Western Washington under applicable money-follows-the-man rules.

5.3.2 Written Request for Transfer. The request for transfer of Employer Contributions from the Retirement Plan to the Home Fund must be made by the Employee in writing on a form approved by the Board of Trustees. The request must be received by the Trust within 60 days from commencement of Covered Service, provided that the Board of Trustees, in its discretion, may grant an extension of the 60-day period.

5.3.3 Rights Governed by Home Fund. Upon transfer of contributions, an Employee's eligibility to participate and eligibility for benefits with respect to such transferred contributions shall be determined by the provisions of the Home Fund's Plan. The Retirement Plan shall have no liability for benefits with respect to Employer Contributions which have been transferred to a Reciprocal Plan. Notwithstanding the foregoing, when contributions are transferred by this Plan to a Reciprocal Plan under this Article, credit provided by the Reciprocal Plan will be treated as Reciprocal Credited Service and subject to the pro-rata pension provisions under Article 5.2.

5.3.4 Breaks in Service. Hours earned under any Reciprocal Plan will be used to prevent a Break in Service.

5.3.5 Home Fund. For purposes of Article 5.3, the term "Home Fund" shall have the same meaning as in the United Brotherhood of Carpenters and Joiners of America International Reciprocal Agreement for Carpenters Pension Funds.

ARTICLE 6. RETIREMENT INCOME

6.1 Normal Retirement Income

An Employee retiring on or after his Normal Retirement Date will be entitled to receive a monthly amount of Normal Retirement Income equal to the sum of his Past Service Benefit, his Future Service Benefit for Plan Years beginning before 2017, and his Sustainable Income Benefit for Plan Years beginning after 2016, determined in the following manner:

6.1.1 Past Service Benefit. An Employee's Past Service Benefit will be equal to $4.00 for each year of Credited Past Service.

6.1.2 Future Service Benefit for Plan Years Beginning Before 2017. Subject to the provisions of subparagraphs (g) and (h) below, the Future Service Benefit for Plan Years beginning before 2017 shall be as follows:

(a) For years beginning January 1, 2008 through December 31, 2016 and thereafter, the Future Service Benefit shall accrue at 1.5 percent of Accruing Employer Contributions, unless other action is taken by the Board of Trustees.

(b) For years beginning January 1, 2006 through December 31, 2007, the Future Service Benefit shall accrue at 2.0 percent of Accruing Employer Contributions.

(c) For years beginning January 1, 2004 through December 31, 2005, the Future Service Benefit shall accrue at 2.5 percent of Accruing Employer Contributions.

(d) For years beginning January 1, 1996 through December 31, 2003, the Future Service Benefit shall accrue at 4.0 percent of Accruing Employer Contributions.

(e) For years beginning January 1, 1988 through December 31, 1995, the Future Service Benefit shall accrue at 5.0 percent of Employer Contributions.

(f) The Future Service Benefit for years of service from January 1, 1960 through December 31, 1987, shall accrue at 4.0 percent of Employer Contributions made or required to be made for all Employees who have earned 750 or more Hours of Service in the three (3) consecutive year period commencing after December 31, 1985. For all other Employees, the Future Service Benefit for years of service from January 1, 1960 through December 31, 1987, shall be as follows:

Years	Future Service Benefit Factor
1960–1983	3.308% of contributions
1984	3.722% of contributions
1985	3.544% of contributions
1986–1987	3.375% of contributions

(g) Commencing January 1, 1984, Employees who retired prior to January 1, 1984, received a 7.5 percent increase in their monthly pension. Commencing January 1, 1985, for all accrued benefits under the Plan, retired Employees received a 5.0 percent increase in their monthly pension. Commencing January 1, 1986, for all accrued benefits under the Plan, retired Employees received a 5.0 percent increase in their monthly pension. Commencing January 1, 1987, for all accrued benefits under the Plan, retired Employees received a 12.0 percent increase in their monthly pension, but with a maximum increase of $18.00 per month for retired Employees receiving $150.00 or more per month. Commencing December 1, 1990, for all accrued benefits under the Plan, retired Employees received a 20.0 percent increase in their monthly pension, but with a maximum increase of $28.00 per month for retired Employees receiving $140.00 or more per month.

(h) Notwithstanding subparagraphs (a) through (g) above:

(1) For Employees with retirements commencing prior to January 1, 1988, no benefit was credited with respect to any Plan Year in which the Employee had less than 500 Hours of Service. Subject to Articles 6.2.3 and 6.4, an Employee whose retirement commences on or after January 1, 1988, shall be credited with all Hours of Service accrued under this Plan and not lost because of a Break in Service, notwithstanding the Employee failed to earn 500 Hours of Service in a particular year; and

(2) Retirement benefits will be in the following amounts for contributions from January 1, 1960 through December 31, 1985, if greater:

(a) From January 1, 1960 through December 31, 1964, an amount equal to $3.00 for each whole year of Credited Future Service and $1.50 for each one-half year of Credited Future Service.

(b) From January 1, 1965 to December 31, 1965, an amount equal to $4.50 per month for the Employee who is credited with 1,000 or more Hours of Service. The Employee who is credited with 750 or more Hours of Service and less than 1,000 hours will earn a Retirement Benefit of $3.38 per month, and the Employee who is credited with 500 or more Hours of Service and less than 750 hours will earn a Retirement Benefit of $2.25 per month.

6.1.3 Sustainable Income Benefit For Plan Years Beginning With 2017. For Credited Future Service beginning January 1, 2017, an Employee will earn a Sustainable Income Benefit, which is the Employee's SIB Accruals multiplied by the then current SIB Unit Value as described in Article 6.1.3(b)(2) or Article 6.1.3(c).

(a) Sustainable Income Benefit Accrual. An Employee's Sustainable Income Benefit Accrual ("SIB Accrual") is denominated as the SIB Units earned by the Employee for each Plan Year.

(1) In general. The number of SIB Units earned in a Plan Year is determined by the following formula:

$$\frac{\text{Accruing Employer Contributions for the Plan Year} \times \text{SIB Accrual Rate for the Plan Year}}{\text{SIB Unit Value on January 1 of such Plan Year}}$$

(2) 2017 Plan Year SIB Accrual. If the SIB Unit Value on January 1, 2019 is less the $10.60, then an Employee's SIB Accrual for the 2017 Plan Year (as determined under Article 6.1.3(a)(1)) shall be multiplied by a fraction, the numerator of which is $10.60 and the denominator of which is the SIB Unit Value on January 1, 2019.

(b) Definitions. The following definitions apply in determining an Employee's Sustainable Income Benefit Accrual:

(1) SIB Units. SIB Units means the standard measure of accrual for purposes of the Sustainable Income Benefit Accrual.

(2) SIB Unit Value.

(a) On January 1, 2017, SIB Unit Value means $10.00.

(b) For Plan Years beginning January 1, 2018 and thereafter, the SIB Unit Value shall be redetermined on each January 1 and is equal to the SIB Unit Value on January 1 of the preceding Plan Year multiplied by the following fraction:

$$\frac{1 + \text{SIB Investment Return for the Reference Plan Year}}{1 + \text{Hurdle Rate}}$$

(3) SIB Accrual Rate. For Plan Years beginning January 1, 2017 and thereafter, the SIB Accrual Rate shall be 0.87%, unless other action is taken by the Board of Trustees.

(4) SIB Investment Return. SIB Investment Return for the Reference Plan Year is determined using the formula: 2I/(A+B-I), where:

(a) "I" is the dollar amount of the investment return on Plan assets as reflected in the audited financial statements of the Plan prepared by the Plan Administrator;

(b) "A" is the market value of the Plan assets on the valuation date for the Plan Year preceding the Reference Plan Year, as reflected in the audited financial statements of the Plan; and

(c) "B" is the market value of the Plan assets on the valuation date for the Reference Plan Year as reflected in the audited financial statements of the Plan.

(d) Notwithstanding the foregoing, in no event shall the SIB Investment Return exceed 10.24% for any Plan Year.

(5) Reference Plan Year. Reference Plan Year is the Plan Year two years prior to the Plan Year for which the SIB Investment Return is being determined (e.g., 2016 Plan Year is the Reference Plan Year for the 2018 Plan Year).

(6) Hurdle Rate. Hurdle Rate means 4.0%.

(c) *Reserved.*

6.1.4 Military Service. Notwithstanding any provision to the contrary, and to the extent required by applicable law, an Employee shall be entitled to a Future Service Benefit for periods of service before January 1, 2017 with the Armed Forces of the United States, and a Sustainable Income Benefit for periods of service with the Armed Forces of the United States after that date.

6.1.5 Late Retirement Income. If an Employee continues working beyond the date on which he would be eligible for Normal Retirement, the Employee shall be eligible for a Late Retirement benefit, which is the Employee's Normal Retirement Income, increased for any Future Service Benefit or Sustainable Income Benefit earned after his Normal Retirement Date. Upon Late Retirement, the Employee's Late Retirement benefit (and if applicable, the Employee's spouse's monthly benefit), shall be actuarially increased by ½ of 1% (6% per year) for each full month the Employee's retirement is postponed after the Employee's Normal Retirement Date. An Employee's SIB Accruals shall be actuarially increased by ⅓ of 1% (4% per year) for each full month the Employee's retirement is postponed after the Employee's Normal Retirement Date. Notwithstanding the foregoing, an Employee's Sustainable Income Benefit shall continue to be adjusted in accordance with Article 6.1.3(b) and (c) after his Late Retirement Date.

6.2 Early Retirement Income

6.2.1 Regular Early Retirement. The monthly amount of Early Retirement Income payable to an Employee retiring under the Regular Early Retirement of Article 4.2.1 shall be equal to his Normal Retirement Income at the date of his Early Retirement, reduced to reflect the fact that payments will commence earlier, and might be paid for a longer period than they would if he had retired on his Normal Retirement Date. An Employee's Normal Retirement Income payable prior to Normal Retirement shall be adjusted as follows:

Age	Regular Early Retirement Reduction Factor for Future Service Benefit	Regular Early Retirement Reduction Factor for Sustainable Income Benefit
55	55%	52%
56	61%	55%
57	67%	58%
58	73%	62%
59	79%	66%
60	85%	70%
61	88%	76%
62	91%	82%
63	94%	88%
64	97%	94%
65	100%	100%

The Employee's retirement age shall be determined in years and completed months. Ages not shown will be determined by interpolating between the factors in the table. An Employee's Sustainable Income Benefit shall continue to adjust in accordance with Article 6.1.3(b) and (c) after his Regular Early Retirement Date.

6.2.2 <u>Special Early Retirement</u>. The monthly amount of Early Retirement Income payable to an Employee retiring under Special Early Retirement of Article 4.2.2 shall be equal to his Normal Retirement Income at the date of his Early Retirement, and reduced if he has not attained age 62 as of the Special Early Retirement Date. The percentage of an Employee's Normal Retirement Income payable prior to Normal Retirement shall be as follows:

Age	Special Early Retirement Reduction Factor for Future Service Benefit	Special Early Retirement Reduction Factor for Sustainable Income Benefit
55	67%	64%
56	73%	68%
57	79%	72%
58	85%	77%
59	91%	82%
60	94%	87%
61	97%	93%
62	100%	100%
63	100%	100%
64	100%	100%
65	100%	100%

The Employee's retirement age shall be determined in years and completed months. Ages not shown will be determined by interpolating between the factors in the table. An Employee's Sustainable Income Benefit shall continue to adjust in accordance with Article 6.1.3(b) and (c) after his Special Early Retirement Date.

6.2.3 <u>Rule of 80 Early Retirement</u>.

(a) <u>General</u>. The monthly amount of Early Retirement Income payable to an Employee retiring under Rule of 80 Early Retirement of Article 4.2.3 shall be equal to the Employee's Normal Retirement Income at the date of his Rule of 80 Early Retirement.

Notwithstanding the foregoing, an Employee's Sustainable Income Benefit shall continue to adjust in accordance with Article 6.1.3(b) and (c) after his Rule of 80 Early Retirement Date.

(b) Return to Work. The pension of any Employee who takes the Rule of 80 Early Retirement under this Plan and who subsequently becomes employed in post-retirement service will be suspended in accordance with Article 6.4, provided that if benefits were suspended prior to age 65 as described in Article 6.4.1(a), then when retirement income payments resume, the Employee's benefit level for the portion of the benefits that were suspended will be calculated as follows:

(1) If the Employee works over 480 hours but less than 580 hours in post-retirement service during the calendar year, and benefits have not previously been suspended, the amount of the payment shall be the same as was payable prior to the suspension except that if a retired Employee earns 500 or more Hours of Service in the Plan Year, he shall be entitled to additional Credited Future Service for such employment in accordance with Article 6.1 or 6.2. Additional benefits shall be credited in accordance with Article 6.4.8, but calculated as a Rule of 80 Early Retirement.

(2) If the Employee works 580 or more hours in post-retirement service during a calendar year, regardless of whether benefits were previously suspended, benefits will be calculated using the reduction factors of a Regular Early Retirement as set forth in Article 6.2.1 from the date of the Employee's Rule of 80 Early Retirement. The retired Employee shall be entitled to payment of additional Credited Future Service for the post-retirement service which shall be credited and calculated in accordance with Article 6.4.8 using the current Regular Early Retirement reduction factors based upon the age of the Employee when payments resume.

(3) If the Employee works over 480 hours in post-retirement service during the calendar year, and benefits were previously suspended, benefits will be calculated using the reduction factors of a Regular Early Retirement as set forth in Article 6.2.1 from the date of the Employee's Rule of 80 Early Retirement. If the retired Employee earns 500 or more Hours of Service in the Plan Year, he shall be entitled to payment of additional Credited Future Service for the post-retirement service. Additional benefits shall be credited and calculated in accordance with Article 6.4.8 using the current Regular Early Retirement reduction factors based upon the age of the Employee when payments resume.

6.3 Disability Retirement Income

The monthly amount of Disability Retirement Income payable to an Employee who has retired or hereafter retires in accordance with the provisions of Article 4.3 and Article 7 shall be the amount determined as in the case of a Normal Retirement, and will be based upon the total Credited Service of such Employee under this Plan. The monthly Disability Retirement Income of an Employee who becomes totally and permanently disabled on and after June 1, 1978 shall be reduced from disability age to age 65 by a factor of one-fourth (1/4) of one (1) percent (.25%) for each month of disability age prior to age 65; except that the

Disability Retirement Income for an Employee who becomes disabled after June 1, 1978, shall not be reduced more than thirty (30) percent over the Disability Retirement Income benefit in effect prior to June 1, 1978. With respect to the portion of such Employee's Normal Retirement that is earned as a Sustainable Income Benefit, such adjustment shall be applied to the Employee's SIB Accrual. An Employee's Sustainable Income Benefit shall continue to adjust in accordance with Article 6.1.3(b) and (c) after his Disability Retirement Income commences.

6.4 Suspension of Pension Payments

6.4.1 The pension of an Employee who takes Early or Normal Retirement under this Plan and who subsequently becomes employed in post-retirement service of the type described below shall be suspended for any calendar month of such employment as follows:

(a) Before Age 65. To be deemed retired prior to attainment of age 65, an Employee must withdraw and completely refrain from any work with an Individual Employer that contributes to the Trust. If an Employee works any hours for a contributing Individual Employer during the month he elected to retire, his retirement date will be changed to the first month in which no hours are worked.

If an Employee retires and subsequently works anywhere for wages or profit in the building and construction industry, for 40 hours or more during any calendar month, or during each four- or five-week payroll period ending in a calendar month, he shall not be entitled to retirement income for that month and such retirement income shall be forfeited (40-hour rule). Effective January 1, 2001, an Employee who retires and subsequently works anywhere for wages or profit in the building and construction industry, may choose, in lieu of having benefits suspended under the 40-hour rule, to work 480 hours during any calendar year, provided that if an Employee who chooses this option works more than 480 hours in the calendar year, the Employee's retirement income payments shall be suspended for the three consecutive month period commencing with the month in which he exceeds 480 hours, plus one additional month for each month in that calendar year that the Employee works one (1) or more hours in a month after the month in which his hours exceeded 480 hours, and such retirement income shall be forfeited. Notwithstanding the foregoing, for retirement income based on Hours of Service performed prior to January 1, 1993, benefits will only be suspended under the rules in this Article 6.4.1(a), if such employment is in the geographic area covered by the Plan.

(b) After age 65. To be deemed retired on and after attainment of age 65, an Employee must not work in the building and construction industry 40 hours or more during any calendar month, or during each four- or five-week payroll period ending in a calendar month in the geographic area covered by the Plan.

Effective January 1, 2005, if an Employee retires and subsequently works, his retirement income payments shall not be suspended if he works 480 hours or less in that calendar year. If an Employee works more than 480 hours during a calendar year in the building and construction industry in the geographic area covered by the Plan, the Employee's retirement income payments shall be suspended for any month remaining in that calendar year in which the Employee works 40 hours or more in a calendar month, or during a four- or five-week payroll period ending in a calendar month in the building and construction industry in the geographic area covered by the Plan (including the month in which his hours exceeded 480 hours, if applicable), and such payments shall be forfeited. Following termination of post-retirement service, retirement income payments shall resume pursuant to Article 6.4.5.

(c) For purposes of Articles 6.4.1(a) and 6.4.1(b), the terms "building and construction industry" and "work in the building and construction industry" are defined as follows:

(1) Building and construction industry means business activities of the types engaged in by any employers maintaining the Plan,

(2) Work means work of the type performed by employees or associate employees covered by the Plan or work which requires directly or indirectly the use of the same skills employed by an employee at any time under the Plan.

Notwithstanding the foregoing, no benefits shall be suspended during any period for which they are required to be paid pursuant to the provisions of Article 6.12.4.

6.4.2 An hour of post-retirement service shall be determined in accordance with Department of Labor Regulation 2530.203-3.

6.4.3 The Administrator shall notify each affected Employee of the reasons for the suspension of retirement income payments during the first calendar month that such payments are suspended.

6.4.4 An Employee who engages in any post-retirement service shall notify the Administrator during the first calendar month that such service commences. If an Employee fails to notify the Administrator of post-retirement service and the Administrator is made aware of such service, retirement income payments shall be suspended on the basis of a presumption that any service by the Employee during each month prior to notification of post-retirement service constitutes 40 or more hours of post-retirement service. In addition, the Administrator shall suspend retirement income payments on the basis of a presumption that any Employee engaged in non-reported post-retirement service shall have performed such service for as long as his employer has performed work at that construction site or employment location. Both of the above presumptions shall be subject to change, if the Employee can show factual information to the contrary.

6.4.5 In the event retirement income payments are suspended because an Employee performs post-retirement service in a calendar month, or in a four- or five-week pay period ending in a calendar month, suspended retirement income payments shall resume no later than the first day of the third calendar month in which the Employee ceases post-retirement service. In the case of payments suspended under the 40-hour rule in Article 6.4.1(a) and payments suspended under

Article 6.4.1(b), the first payment shall include retirement income payments for those months in which the Employee completed less than 40 hours of post-retirement service. Provided, however, that payments may be reduced or forfeited as described in the next paragraph.

6.4.6 An Employee who engages in post-retirement service shall notify the Administrator upon return to retirement within the first calendar month following the cessation of post-retirement service. In the event it is determined that an Employee received retirement income payments during any month in which such Employee performed post-retirement service described in 6.4.1 above, the Employee shall forfeit all payments otherwise due during the first three (3) months following his cessation of post-retirement service, until the full amount of such retirement income payments have been recovered. If the full amount has not been recovered from the first three (3) payments otherwise due, subsequent retirement income payments shall be reduced by an amount not to exceed twenty-five percent (25%) of the amount otherwise payable until the earliest of the following:

(a) The Employee's death (or the Employee's surviving spouse's death, or the Employee's designated beneficiary's death);

(b) The Employee's retirement income payments are again suspended for performance of post-retirement service in a calendar month; or

(c) The Trust recovers one hundred percent (100%) of the total of all retirement income paid in all months in which the Employee completed the amount of post-retirement service described in 6.4.1 above.

6.4.7 In no event shall the provisions of this Plan allow an Employee to revoke or change any election of benefits made under this Plan, with regard to such Employee's original Retirement Date. No Employee shall again have the right to elect a form of payment of retirement income, upon subsequent retirement, following re-employment after retirement income payments commence.

6.4.8 When retirement income payments resume, the amount of the payment shall be the same as was payable prior to the suspension except that if a retired Employee returns to employment in the industry and earns 500 or more Hours of Service in a Plan Year, he will be entitled to additional Credited Future Service for such employment in accordance with Article 6.1 or 6.2. Such additional Credited Future Service shall be credited effective at the commencement of the Plan Year following the year in which the additional credit was earned. Subject to Article 6.2.3(b), additional benefits shall be calculated using the current Early Retirement reduction factor based upon the age of the Employee when payments resume. Such additional benefits shall be in the same form of payment as the Employee elected when the Employee's retirement income payments originally began, unless the Employee originally elected a Spouse Option and the Employee's spouse is no longer living as of the date the additional benefit is payable.

6.4.9 Re-employment after retirement for retired Employees receiving Disability Retirement Income shall be governed by the provisions of Article 7.

6.4.10 If an Employee continues to work after the Employee's Normal Retirement Date without retiring, benefits are suspended for work described in this Article that is before the Employee's required beginning date.

6.5 Standard Form of Early or Normal Retirement Income for Married Retirees: Joint and Survivor Benefit

6.5.1 Effective January 1, 1976, the standard form of retirement income for an eligible Employee who is legally married on his Normal or Early Retirement Date shall be a Joint and Survivor Benefit commencing on the Employee's Normal or Early Retirement Date. The Employee's retirement income as computed under Articles 6.1 and 6.2 is reduced to provide the actuarial equivalent in the form of a monthly income for the life of the Employee, commencing on his Retirement Date, with fifty (50) percent of the monthly amount the Employee receives during the Employee's lifetime continued for the life of the Employee's surviving spouse after the Employee's death. Monthly benefits will be paid to the surviving spouse for the remainder of the surviving spouse's lifetime regardless of whether she remarries, but payments will cease upon the spouse's death. For purposes of this Article 6.5, "spouse" or "surviving spouse" shall mean the Employee's spouse at the time of the Employee's retirement.

6.5.2 Effective January 1, 1988, if the spouse of an Employee dies while the Employee is on retirement pay status, and if the Employee notifies the Plan of the spouse's death, the benefit paid to the retired Employee shall be increased, effective the month following the spouse's death, to a Single Life Benefit, in the amount that would have been payable to the Employee had the Employee been single on his Retirement Date. This Single Life Benefit shall not be guaranteed for five years (sixty months), i.e., no payment shall continue to any beneficiary after the Employee's death.

6.5.3 If the spouse of an Employee relinquishes all interest in benefits from the Retirement Plan while the Employee is on retirement pay status, pursuant to a Qualified Domestic Relations Order dated on or after January 1, 1995, the benefit paid to the retired Employee shall be increased to a Single Life Benefit in the amount that would have been payable to the Employee had the Employee been single on his Retirement Date. This increase shall be effective the month following the effective date of the applicable provision in the Qualified Domestic Relations Order. This Single Life Benefit shall not be guaranteed for five years (sixty months), i.e., no payment shall continue to any beneficiary after the Employee's death.

6.6 Standard Form of Retirement for Unmarried Retirees: Single Life Benefit Guaranteed for Five (5) Years

Effective on or after January 1, 1976, the standard form of retirement income for an eligible Employee who is not legally married and takes Normal or Early Retirement, shall be a Single Life Benefit guaranteed for five years (60 months), commencing on the Employee's Normal or Early Retirement Date, with total benefits as provided under Articles 6.1 or 6.2. Monthly benefits will commence on the Employee's Retirement Date and cease the month of the Employee's death unless the Employee's death occurs less than sixty (60) months after the Employee begins receiving retirement benefits, in which event such payments shall continue, to the Employee's beneficiary(ies) until the balance of the sixty (60) payments have been made.

The standard form of retirement income for an Employee who takes Disability Retirement will be determined under Articles 6.8.4 and 6.10.

6.7 Optional Forms of Retirement Benefit

In lieu of the standard form of retirement income, an Employee taking Early or Normal Retirement may select one of the following options, provided the Employee rejects the standard form in the manner provided by Article 6.8:

6.7.1 Contingent Benefit Option, which provides for actuarially reduced, level benefit payments during the life of the Employee and the further continuance of such level payments to a contingent beneficiary, if living, after the Employee's death.

6.7.2 Modified Contingent Benefit Option, which provides for actuarially reduced benefit payments to the Employee during his lifetime and the further continuance of such benefit payments in either three-fourths or one-half of such reduced amount to a contingent beneficiary, if living, after the Employee's death.

6.8 Election Procedures and Commencement of Benefits

6.8.1 Application/Written Explanation. Each Employee shall notify the Trustees in writing, on the pension application form prescribed by the Trustees, of his intent to retire.

Upon such notification, the Employee shall receive a written explanation of the terms and conditions of the various forms of payment, including an explanation of the relative values of the various forms of payment. The written explanation shall also describe the terms and conditions of the Joint and Survivor Benefit; the right to make, and the effect of an election to waive the Joint and Survivor Benefit; the right of the spouse to consent to the waiver; and the Employee's right to revoke an election, and the effect of the revocation. The written explanation shall be provided no less than 30 days and no more than 90 days prior to the Retirement Income Starting Date, unless, pursuant to this Article 6.8, the Employee and the Employee's spouse elect to commence benefits less than 30 days after the written explanation is given or the Employee and the Employee's spouse elect a retroactive Retirement Date.

6.8.2 Election Period. For purposes of electing a form of payment, or revoking an election, each Employee shall have an election period determined as follows:

(a) Written Explanation Provided 30 to 90 Days Before Retirement Date. If the written explanation is provided 30 to 90 days before the Employee's Retirement Date, the election period commences on the date the written explanation was given and ends on the Retirement Date.

(b) Written Explanation Provided Less Than 30 Days Before Retirement Date. If the written explanation is provided less than 30 days before the Retirement Date, but not later than such date, the Employee may consider the election for at least 30 days after receiving the written explanation. In the alternative, the Employee, with applicable spousal consent, may make an election of the form of payment in less than 30 days, provided:

(1) the first Retirement payment will not be issued before the expiration of the seven-day period commencing the day after the written explanation was given; and

(2) the election period will end on the later of the Employee's Retirement Date, the date the first Retirement Income payment is negotiated or the expiration of the seven-day period commencing the day after the written explanation was given; and

(3) the Plan informs the Employee of the right to consider the form of benefit for a period of thirty (30) days after receiving the written explanation.

(c) <u>Written Explanation Provided After Retirement Date</u>. If the written explanation is provided after an Employee's Retirement Date, an Employee who is eligible may elect:

(1) a retroactive Retirement Date, provided the Employee, with spousal consent affirmatively elects the retroactive Retirement Date, and further provided that the election period described in this Article shall be determined from the date of the actual commencement of benefits, rather than from the Retirement Date; or

(2) in the case of Early, Special Early, or Rule of 80 Early Retirement, a new Retirement Date that is after the date the written explanation is provided; or

(3) in the case of Normal Retirement, a commencement date that is after the date the written explanation is provided, and a benefit which is the Actuarial Equivalent of the accrued benefit as of the date the Employee was otherwise eligible to commence Normal Retirement, subject to Article 6.4, Suspension of Pension Payments.

(d) <u>No Retroactive Retirement Date for Sustainable Income Benefit</u>. Notwithstanding any other part of this Article 6.8, an Employee cannot elect a retroactive Retirement Date with respect to a Sustainable Income Benefit.

6.8.3 <u>Retroactive Retirement Date</u>. An Employee who elects a retroactive Retirement Date shall receive a make-up payment reflecting missed payments of his or her Past Service Benefit and Future Service Benefit earned prior to January 1, 2017 between the Employee's Retirement Date and the date of the actual commencement of benefits, plus interest at 7% per annum. Future monthly benefits will be in the amount that monthly payments would be if such benefits had actually commenced on the retroactive Retirement Date. This provision is subject to Article 6.4, Suspension of Pension Payments.

6.8.4 <u>Disability Retirement Date</u>. Disability Retirement Income is an auxiliary benefit. Therefore, an Employee who is receiving Disability Retirement Income the month immediately prior to his Normal Retirement Date, shall have a Retirement Date that is his Normal Retirement Date, and may elect a form of payment to commence on his Retirement Date pursuant to the election procedures in this Article and Article 6.10.

6.8.5 <u>Election and Revocation of Election</u>. The election, or revocation of an election, must be in writing and filed with the

Plan Administrator before expiration of the election period. The form of payment may not be changed after expiration of the election period, except as otherwise provided in Article 6.5 for an Employee whose spouse dies while the Employee is on retirement pay status, or an Employee whose spouse relinquishes all rights pursuant to a Qualified Domestic Relations Order while the Employee is on retirement pay status.

Election of a form of payment, other than the Joint and Survivor Benefit, must be consented to by the Employee's spouse during the election period. The consent will designate a beneficiary which may not be changed without spousal consent, unless the consent permits designation by the Employee without further spousal consent, or unless the change is to the Joint and Survivor Benefit. The spouse's consent will acknowledge the effect of the election and be witnessed by a Plan representative or a notary public.

Notwithstanding the spousal consent requirements, if the Employee establishes to the satisfaction of the Plan Administrator that such written consent cannot be obtained because there is no spouse or the spouse cannot be located, or for any other reason provided by the Secretary of the Treasury or his delegate, such election can be made without the consent of any person.

In the event a married Employee fails to make an election, benefits will be in the form of a Joint and Survivor Option. In the event an unmarried Employee fails to make an election, benefits will in the form of a Single Life Benefit guaranteed for five years.

6.8.6 **Spouse.** Before an Employee's Retirement Date, the term "spouse" means the legal spouse of the Employee at the time of the determination. On or after the Employee's Retirement Date, the term "spouse" means the legal spouse of the Employee on his Retirement Date, provided that if the Employee elects a retroactive Retirement Date with respect to Past Service Benefits and Future Service Benefits earned prior to January 1, 2017, the spouse is determined as of the date benefits actually commence. A legal spouse means an individual legally married to an Employee as determined under Federal tax laws applicable to Internal Revenue Code § 401(a) tax qualified pension plans.

6.8.7 **Commencement of Benefits.** Unless an Employee directs otherwise, or continues to work in Covered Service or the Employee's election period has not expired, distribution of an Employee's Normal Retirement Benefits for which an Employee has made timely application and to which an Employee is eligible under Article 4 shall commence no later than the earlier of the 60th day after the close of the Plan Year in which the Employee:

(a) Becomes eligible for Normal Retirement; or

(b) Attains age 65.

6.9 **Death of, or Divorce from Contingent Beneficiary under Optional Form of Benefit**

6.9.1 Effective January 1, 1988, if the contingent beneficiary of an Employee dies while the Employee is on retirement pay status, and if the Employee notifies the Plan of the contingent beneficiary's death, the benefit paid to the retired Employee shall be increased, effective the month following the contingent beneficiary's death, to a Single Life Benefit. The Single Life Benefit shall not be guaranteed for five years (sixty months), i.e., all benefit payments with respect to such Employee will cease upon his death. No retirement income will be payable to a contingent beneficiary if the Employee dies before his first retirement income payment becomes due, but Death Benefits shall be payable as provided in Article 8.

6.9.2 If the contingent beneficiary spouse of an Employee relinquishes all interest in benefits from the Retirement Plan while the Employee is on retirement pay status, pursuant to a Qualified Domestic Relations Order dated on or after January 1, 1995, the benefit paid to the retired Employee shall be increased to a Single Life Benefit as described in Article 6.5.3. The increase shall be effective the month following the effective date of the applicable provision in the Qualified Domestic Relations Order. The Single Life Benefit shall not be guaranteed for five years (sixty months) i.e., all benefit payments with respect to such Employee will cease upon his death. No retirement income will be payable to a contingent beneficiary if the Employee dies before his first retirement income payment becomes due, but Death Benefits shall be payable as provided in Article 8.

6.10 Employee on Disability Income

6.10.1 Form of Payment. An Employee retired on a Disability Retirement will receive a Single Life Benefit. The Single Life Benefit will be guaranteed for five years (60 months) unless monthly Death Benefits become payable under Article 8.2 or 8.3 during the period of the guarantee which are greater than the monthly amount payable under the guarantee. Monthly benefits will commence on the Employee's Disability Retirement Date and cease the earlier of: the date the Employee is no longer Totally and Permanently Disabled; the month before the Employee's Normal Retirement Date; or the month of the Employee's death, unless the Employee's death occurs less than 60 months after commencement of Disability Retirement Income, in which event payments will continue to the Employee's beneficiary(ies) for the balance of the 60 months (subject to payment of Death Benefits as provided in Article 6.10.3). An Employee retired on a Disability Retirement may not elect a Joint and Survivor Benefit or an Optional Form of Retirement Benefit to apply prior to his 65th birthday.

6.10.2 Election of Normal Retirement. An Employee who is receiving Disability Retirement Income the month immediately prior to his Normal Retirement Date, shall be entitled to Normal Retirement Income commencing on the Normal Retirement Date and may elect a form of payment pursuant to the procedures applicable for Normal Retirement.

6.10.3 Death of Employee Prior to Normal Retirement. Death Benefits will be paid to the extent provided under Article 8.2 or 8.3 to the eligible beneficiary of an Employee retired on a Disability Retirement who does not survive to the Normal Retirement Date. If Death Benefits become payable during the period remaining on the 60-month guarantee, and the monthly amount of the Death Benefits is greater than the monthly amount of the guarantee, the Death Benefits will be paid in lieu of the amount remaining on the guarantee. If Death Benefits become payable during the period remaining on the 60-month guarantee, and the monthly amount of the Death Benefits is less than the monthly amount of the guarantee, the Plan will continue to pay the balance on the guarantee, and the Death Benefits will commence following termination of the guarantee. In no case will benefits be paid under both Article 6.10.1 and under Article 8.2 or 8.3 during any one month. No Death Benefits are payable under Article 8.4 to the beneficiary of an Employee who was receiving Disability Retirement Income at the time of his death.

6.11 Lump Sum Payment

If the standard form of retirement or vested benefit has a Lump Sum Present Value of $5,000 or less for an Employee retiring on a Normal, Early, or Disability Retirement Date, the Trustees, in their sole discretion, may elect to pay the benefit out in a lump sum cash payment to the Employee and his spouse, and written rejection of the Joint and Survivor Benefit shall not be required; provided that no lump sum cash payment may be made after the Annuity Starting Date unless the Employee and spouse consent in writing in the manner provided by law.

6.12 Minimum Distribution Requirements

6.12.1 General Rules.

(a) Effective Date. These provisions will apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year.

(b) Precedence. The requirements of this Article will take precedence over any inconsistent provisions of the Plan.

(c) Requirements of Treasury Regulations Incorporated. All distributions required under this Article will be determined and made in accordance with the Treasury Regulations under Internal Revenue Code § 401(a)(9).

(d) TEFRA § 242(b)(2) Elections. Notwithstanding the other provisions of this Article, distributions may be made under a designation made before January 1, 1984, in accordance with § 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the Plan that relate to § 242(b)(2) of TEFRA.

6.12.2 Time and Manner of Distribution.

(a) Required Beginning Date. The Employee's entire interest will be distributed, or begin to be distributed, to the Employee no later than the Employee's required beginning date. For purposes of this Article, the "required beginning date" shall mean:

For an Employee other than a "5% owner" or a "terminated vested" Employee who attains age 70½ after December 31, 1998, the "required beginning date" is April 1 of the calendar year following the later of:

(1) The calendar year in which the Employee attains age 70½; or

(2) The calendar year in which the Employee retires.

Attainment of age 70½ shall have the meaning set forth in Treasury Regulation § 1.401(a)(9)-2 (Q&A-3). Minimum distributions shall be made in accordance with Article 6.5 of the Plan and Treasury Regulations under Internal Revenue Code § 401(a)(9).

An Employee who is a "5% owner," as determined under Internal Revenue Code § 416 may not postpone his required beginning date beyond April 1 of the calendar year following which he attains age 70½, even if the Employee continues employment. An Employee who attains age 70½ before January 1, 1999, may not be compelled to commence pension distributions.

(b) Death of Employee before Distributions Begin. If the Employee dies before distributions begin, the Employee's entire interest will be distributed, or begin to be distributed, no later than as follows:

(1) Distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Employee died, or by December 31 of the calendar year in which the Employee would have attained age 70½, if later. (No distribution may be made other than to the surviving spouse under Article 8.1 of the Plan, if the Employee has a surviving spouse.)

(2) If there is no surviving spouse but the Employee has designated an eligible beneficiary under Article 8.1 of the Plan, distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Employee died.

(3) If there is no surviving spouse and there is no designated beneficiary, distributions shall be made to the person entitled to the death benefit as of September 30 of the year following the year of the Employee's death. The Employee's entire interest will be distributed by December 31 of the calendar year of the fifth anniversary of the Employee's death.

(4) If the Employee's surviving spouse is the Employee's sole designated beneficiary and the surviving spouse dies after the Employee but before distributions to the surviving spouse begin, this Article 6.12.2 (other than Article 6.12.2(b)(1)) will apply as if the surviving spouse were the Employee.

For purposes of this Article 6.12.2 and 6.12.5, distributions are considered to begin on the Employee's required beginning date (or, if Article 6.12.2 applies, the date distributions are required to begin to the surviving spouse under Article 6.12.2(b)(1)). If annuity payments irrevocably commence to the Employee before the Employee's required beginning date (or to the Employee's surviving spouse before the date distributions are required to begin to the surviving spouse under Article 6.12.2(b)(1)), the date distributions are considered to begin is the date distributions actually commence.

(c) Form of Distribution. Distributions will be made in accordance with Article 6.12.3 to 6.12.5 of this Article.

6.12.3 Determination of Amount to Be Distributed Each Year.

(a) General Annuity Requirements. If the Employee's interest is paid in the form of annuity distributions under the Plan, payments under the annuity will satisfy the following requirements:

(1) the annuity distributions will be paid in periodic payments made at intervals not longer than one year;

(2) the distribution period will be over a life (or lives) described in Article 6.12.4 or 6.12.5;

(3) once payments have begun, the period will not be changed even if the period certain is shorter than the maximum permitted;

(4) payments will either be non-increasing or increase only as follows:

(a) by an annual percentage increase that does not exceed the annual increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics, except as provided in Section 6.1.3 with respect to an Employee's Sustainable Income Benefit;

(b) to the extent of the reduction in the amount of the Employee's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period dies or is no longer the Employee's beneficiary pursuant to a qualified domestic relations order within the meaning of Internal Revenue Code § 414(p);

(c) to provide cash refunds of contributions upon the Employee's death; or

(d) to pay increased benefits that result from a Plan amendment.

(b) Amount Required to be Distributed by Required Beginning Date. The amount that must be distributed on or before the Employee's required beginning date (or if the Employee dies before distribution begins), the date distributions are required to begin under Article 6.12.2(b)(1) or (2) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the Employee's benefit accruals of the last day of the first distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Employee's required beginning date.

(c) Additional Accruals After First Distribution Calendar Year. Any additional benefits accruing to the Employee in a calendar year after the first distribution calendar year will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

6.12.4 Requirements for Annuity Distributions that Commence During Employee's Lifetime. If the Employee's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Employee and a non-spouse beneficiary, annuity payments to be made on or after the Employee's required beginning date to the designated beneficiary after the Employee's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Employee using the table set forth in Q&A-2 of Treasury Regulation § 1.401(a)(9)-6T. If the form of distribution combines a joint and survivor annuity for the joint lives of the Employee and a non-spouse beneficiary and a period certain annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the designated beneficiary after the expiration of the period certain.

6.12.5 Requirements for Minimum Distributions Where Employee Dies Before Date Distributions Begin.

(a) Employee Survived by Designated Beneficiary. If the Employee dies before the date distribution of his interest begins and there is a designated beneficiary, the Employee's entire interest will be distributed, beginning not later than the time prescribed in Article 6.12.2(b), over the life of the designated beneficiary or over a period certain not exceeding:

(1) unless the Annuity Starting Date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined, using the beneficiary's age as of the beneficiary's birthday in the calendar year immediately following the calendar year of the Employee's death; or

(2) if the Annuity Starting Date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined, using the beneficiary's age as of the beneficiary's birthday in the calendar year that contains the Annuity Starting Date.

(b) No Designated Beneficiary. If the Employee dies before the date distributions begin, and there is no surviving designated beneficiary as of September 30 of the year following the year of the Employee's death, distribution of the Employee's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Employee's death.

(c) Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the Employee dies before the date distribution begins, the Employee's surviving spouse is the Employee's sole designated beneficiary, and then the surviving spouse dies before distributions to the surviving spouse begin, this Article 6.12.5 will apply as if the surviving spouse were the Employee, except that the time by which distributions must be made will be determined without regard to Article 6.12.2 herein.

6.12.6 Definitions.

(a) Designated Beneficiary. The individual who is designated as the beneficiary under Article 6.13 of the Plan and is the designated beneficiary under Internal Revenue Code § 401(a)(9) and the Treasury Regulation § 1.401(a)(9)-4, (Q&A 4).

(b) Distribution Calendar Year. A calendar year for which a minimum distribution is required. For distributions beginning before the Employee's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Employee's required beginning date. For distributions beginning after the Employee's death, the first distribution calendar year is the calendar year in which distributions are required to begin pursuant to Article 6.12.2(b).

(c) Life Expectancy. Life expectancy as computed by use of the Single Life Table in Treasury Regulation § 1.401(a)(9)-9.

(d) Required Beginning Date. The date specified in Article 6.12.2(a).

6.13 Beneficiary Designations

6.13.1 Beneficiary Designations. Employees who are not married who take the standard form of retirement or an Optional Form of Retirement Benefit which provides for payment of benefits after the Employee's death, or married Employees who, with their spouses, reject the Joint and Survivor Benefit in writing and elect an Optional Form of Retirement Benefit which provides for benefits after the Employee's death, are entitled, prior to retirement, to designate a beneficiary for retirement benefits to which they are entitled or may become entitled under this Plan. In the case of a married Employee, no beneficiary designation other than the surviving spouse will be permitted unless:

(a) The spouse consents in writing to the designation, and such consent either expressly designates the beneficiary which may not be changed without spousal consent, or expressly permits designations by the Employee without any requirement of further spousal consent; or

(b) The spouse cannot be located, with such proof of attempt to locate that is consistent with the rules of the Trust or federal regulations; or

(c) The spouse has legally abandoned the Employee.

6.13.2 Where No Beneficiary Designated. If no beneficiary has been designated by the Employee, and the Employee has selected a Single Life Benefit guaranteed for five years (60 months), any benefit which survives the Employee will be paid to the surviving person or persons in the first of the following classes of successive preference beneficiaries in which a member survives the Employee: the Employee's

(a) Spouse;

(b) Children, including natural, legally adopted and stepchildren;

(c) Parents;

(d) Brothers and sisters.

6.13.3 Payment. In determining such person or persons, the Trustees may rely upon affidavit by a member of any classes of preference beneficiaries. Payment based upon such affidavit shall be full acquittance of any benefit payable under the Plan unless, before the payment is made, the Trustees have received written notice of valid claim by some other person. If two or more persons become entitled to benefits as preference beneficiaries, they shall share equally.

6.13.4 If No Beneficiary Survives Employee. If no beneficiary survives the Employee, then no Death Benefit shall be payable, except that the Trustees may in their sole discretion pay or reimburse the payment of necessary funeral and burial expenses, but in an amount not to exceed the benefit of $5,000.00, whichever is less.

6.14 Legal Disabilities – Facility of Payment

If, in the opinion of the Trustees, any person who is eligible to receive payments under this Retirement Plan is legally, physically, or mentally incapable of personally receiving or negotiating receipt for any such payment, the Trustees may direct payments to such other person, persons or institutions, who, in the opinion of the Trustees, are then maintaining or have custody of such payee, until claim is made by a duly appointed guardian or other legal representative of such payee. Such payments, to the extent thereof, will constitute a full discharge of the liability of the Fund and of the Trustees under the Retirement Plan.

6.15 Maximum Retirement Benefit

6.15.1 Effective Date. Except as otherwise provided, this Article shall be effective for limitation years ending after December 31, 2007.

6.15.2 Effect on Participants. Benefit increases resulting from the increase in the limitations of Internal Revenue Code § 415(b) will be provided to all current and former Employees (with benefits limited by Internal Revenue Code § 415(b)) who have an accrued benefit under the Plan immediately prior to the effective date (other than an accrued benefit resulting from a benefit increase solely as a result of the increases in limitations under Internal Revenue Code § 415(b)).

6.15.3 Definitions.

(a) Defined Benefit Dollar Limitation. The "defined benefit dollar limitation" is $160,000, as adjusted, effective January 1 of each year, under Internal Revenue Code § 415(d) in such manner as the Secretary shall prescribe, and payable in the form of a Single Life Benefit. A limitation as adjusted under Internal Revenue Code § 415(d) will apply to limitation years ending with or within the calendar year for which the adjustment applies.

(b) Maximum Permissible Benefit. The "maximum permissible benefit" is the defined benefit dollar limitation (adjusted as provided in this Article).

(1) If the Employee has fewer than ten (10) years of participation in the Plan, the defined benefit dollar limitation shall be multiplied by a fraction, (i) the numerator of which is the number of years (or part thereof) of participation in the Plan and (ii) the denominator of which is ten (10).

(2) If the benefit of an Employee begins prior to age 62, the defined benefit dollar limitation applicable to the Employee at such earlier age is an annual benefit payable in the form of a Single Life Benefit at the earlier age that is the actuarial equivalent of the defined benefit dollar limitation applicable to the Employee at age 62 (adjusted under (1) above, if required). The defined benefit dollar limitation applicable at an age prior to age 62 is determined as the lesser of (i) the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using the interest rate and mortality table (or other tabular factor) specified in Article 1.3 of the Plan and (ii) the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using a five (5) percent interest rate and the applicable mortality table as defined in Article 1.3 of the Plan. Any decrease in the defined benefit dollar limitation determined in accordance with this Article 6.15.3(b)(2) shall not reflect a mortality decrement if benefits are not forfeited upon the death of the Employee. If any benefits are forfeited upon death, the full mortality decrement is taken into account.

(3) If the benefit of an Employee begins after the Employee attains age 65, the defined benefit dollar limitation applicable to the Employee at the later age is the annual benefit payable in the form of a Single Life Benefit beginning at the later age that is actuarially equivalent to the defined benefit

dollar limitation applicable to the Employee at age 65 (adjusted under (1) above, if required). The actuarial equivalent of the defined benefit dollar limitation applicable at an age after age 65 is determined as (i) the lesser of the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using the interest rate and mortality table (or other tabular factor) specified in Article 1.3 of the Plan and (ii) the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using a five (5) percent interest rate assumption and the applicable mortality table as defined in Article 1.3 of the Plan. For these purposes, mortality between age 65 and the age at which benefits commence shall be ignored.

6.15.4 Aggregation Rules. For benefits accrued or payable before January 1, 2008, the limitations in this Article 6.15 shall be applied with respect to an Employee on an Individual Employer by Individual Employer basis. For benefits accrued on or after January 1, 2008, the limitations of Article 6.15 shall be applied with respect to an Employee taking all of the Individual Employers into account. Notwithstanding the foregoing, an Employee shall not be entitled to accrue additional benefits on or after January 1, 2008, unless such additional benefits, together with the benefits accrued before January 1, 2008, satisfy the requirements of Treasury Regulations in effect as of January 1, 2008.

6.15.5 Exception. Notwithstanding the foregoing provisions of this Article 6.15, an Annual Retirement Income payable with respect to an Employee under the Plan shall not be deemed to exceed the limitation of this Article 6.15 if the Annual Retirement Income payable with respect to such Employee under the Plan does not exceed $10,000 for the limitation year under consideration, or for any prior limitation year, and the Employee has never participated in a defined contribution plan (as defined in Internal Revenue Code § 415(k)) of his employer.

6.15.6 No Reduction in Benefits. Notwithstanding any provision to the contrary, no provision of this Article 6.15 as applied in accordance with final Treasury Regulations effective for limitation years beginning on or after January 1, 2008, will result in a limitation lower than an Employee's benefits accrued or payable prior to January 1, 2008.

6.16 Supplemental Benefits

6.16.1 An Employee whose Annuity Starting Date is no later than December 1, 1994 shall receive, on or about December 20, 1994, a one-time payment equal to a certain multiple, depending on the Employee's Annuity Starting date, of his monthly benefit payment, as follows:

Multiple	Annuity Starting Date
0.50	1/1/1994 or later
1.00	In 1993
1.10	In 1992
1.20	In 1991
1.30	In 1990
1.40	In 1989
1.50	In 1988
1.60	In 1987
1.70	In 1986
1.80	In 1985
1.90	In 1984
2.00	Prior to 1/1/1984

6.16.2 An Employee whose Annuity Starting Date is no later than December 1, 1996, shall receive a one-time payment equal to the Employee's monthly benefit payment, to be issued no later than the February 1997 payment cycle.

6.16.3 An Employee whose Annuity Starting Date is no later than December 1, 2000 shall receive a one-time payment equal to the Employee's monthly benefit payment, but not less than $225, to be issued no later than the February 2001 payment cycle.

6.16.4 An Employee whose Annuity Starting Date is no later than December 1, 2005 shall receive a one-time payment equal to fifty (50) percent of the Employee's monthly benefit payment, but not less than $250, to be issued no later than the March 2006 payment cycle.

6.16.5 An Employee whose Annuity Starting Date is no later than December 1, 2006 shall receive a one-time payment equal to fifty (50) percent of the Employee's monthly benefit payment, but not less than $250, to be issued no later than the March 2007 payment cycle.

ARTICLE 7. TOTAL AND PERMANENT DISABILITY

Total and Permanent Disability, for the purpose of this Retirement Plan, will mean the disability by bodily injury or disease which on the basis of medical evidence can be assumed to be permanent and continuous during the remainder of the Employee's lifetime, and which renders the Employee incapable of performing any and every duty pertinent to his occupation as a Carpenter. After benefits have been paid to the Employee for 24 months, the Employee must then be incapable of engaging in any gainful occupation for which he is found to be fitted by training, experience, and abilities.

Disability Retirement Income will not be payable to an Employee where the disability results from an intentional self-inflicted injury or the habitual use of drugs or alcoholic beverages.

Disability will not be considered established unless it has continued for a period of not less than six (6) consecutive months. The Trustees may, however, at their discretion, waive the six-month period.

It shall be the responsibility of the Employee to submit satisfactory proof of such disability to the Trustees. Before ruling on any disability of an Employee, the Trustees may designate a qualified physician of their choice to examine the Employee.

The Trustees may, from time to time, require satisfactory proof of continued disability. If the Trustees determine that an Employee's disability has ceased prior to his attainment of age 65, his Disability Retirement Income will stop with the payment for the month in which his disability ceased.

When an Employee who is receiving Disability Retirement Income reaches his Normal Retirement Date, no further proof of continued disability will be required and further, he shall thereafter receive his Normal Retirement Income.

ARTICLE 8. DEATH BENEFITS PRIOR TO RETIREMENT

8.1 Eligible Beneficiaries

8.1.1 An Employee may designate any person to be eligible as beneficiary and to receive any benefits under Article 8.4, provided that if the Employee is married, the Employee may not designate a non-spouse beneficiary. An Employee may designate one or more dependent children to receive the benefits under Article 8.2 in the event there is no surviving spouse or the surviving spouse dies. Where a lawful spouse is the beneficiary of the Death Benefits under this Article, such spouse shall be the sole and primary beneficiary. Subject only to the foregoing limitations, an Employee may designate joint beneficiaries and contingent beneficiaries.

An Employee may designate as beneficiary of benefits under Articles 8.2 and 8.3, the persons indicated as eligible for benefits in those Articles.

8.1.2 Any designation of beneficiary must be made in writing, on a form acceptable to the Trustees.

8.1.3 Whenever any benefits under this Article become payable, the person or persons designated to the Trustees as the beneficiaries of the Employee according to the beneficiary designation then on file with the Trustees shall be entitled to receive such benefits and to give full acquittance therefor to the Trust, and payment by the Trust of such benefits to such person or persons shall fully discharge the Trust from all claims under this Article unless, before payment is made, the Trust has received, at its Administrative Office, written notice by or on behalf of some other person that such other person claims to be entitled to such payment or some interest in the benefits under this Article. Notwithstanding the foregoing, if an Employee designates a spouse, or person who subsequently becomes his spouse, for death benefits under this Article, the designation shall be automatically revoked if the marriage is subsequently dissolved or invalidated unless the Employee redesignates the former spouse following dissolution or invalidation of marriage, except as otherwise provided in a Qualified Domestic Relations Order.

8.1.4 If a Death Benefit under this Article would otherwise be payable but for the fact that no valid beneficiary designation is on file with the Trustees as of the date of the Employee's death, and the Employee is survived either by a lawful spouse or by any child of the Employee, whether the child is a natural, adopted or stepchild, then the Trustees may, in their sole discretion, deem such surviving spouse, or if none, then such surviving child or children, to be the designated beneficiaries of such Employee.

8.1.5 If there is no surviving eligible designated beneficiary alive when payment would otherwise be made under this Article, and if the Employee is not survived by any spouse or child who the Trustees in their discretion deem to be the Employee's beneficiary(ies), then no benefit under this Article 8 shall be payable; provided, however, that in such case the Trustees, in their sole and absolute discretion, may reimburse up to $5,000.00 of the funeral or burial expenses of the deceased Employee.

8.2 Primary Pre-retirement Survivor Benefit for Spouse or Dependent Minor Children of Vested Employee or Employee Eligible for Retirement

The surviving spouse who is the eligible beneficiary of an Employee whose rights under this Plan are vested pursuant to either Article 3.2.1(a) or 3.2.1(b), who was eligible for Regular, Special or Rule of 80 Early Retirement or Normal Retirement under the Plan, but who had not yet retired at the time of his death, or who though vested under Article 3.2.1(a) or 3.2.1(b) had not yet qualified for Early Retirement, but who had earned at least 750 Hours of Service in this Plan or in a Reciprocal Plan in the three (3) consecutive Plan Year period immediately preceding death, or 750 hours of contiguous Non-Covered Service (as defined by Article 1.8) in this Plan in the three (3) consecutive Plan Year period immediately preceding death, shall have the right to elect to receive a monthly sum until attaining age 62, remarriage or death prior to attaining age 62. The monthly sum shall be determined in the same fashion as a Reciprocal Pension would be determined, based upon the Credited Service of such Employee under this Plan. Such election must be made by the surviving spouse who is the eligible beneficiary prior to the receipt of any benefit under this Article 8, and once made is irrevocable. If upon the death of the surviving spouse, or if there is no surviving spouse, if upon the death of the Employee, there are one or more dependent minor children of the deceased Employee, the monthly sum shall be paid or continued to such dependent child or children designated as beneficiary(ies) by the Employee until the youngest surviving child attains age 18, or age 21, if a full-time student, such sum to be divided equally among the minor children who are eligible as of each distribution.

Upon expiration of the surviving spouse's benefits under this Article 8.2, the surviving spouse will receive the Qualified Pre-retirement Survivor Benefit if that benefit would have continued beyond the expiration of the Primary Pre-retirement Survivor Benefit.

8.3 Qualified Pre-retirement Survivor Benefit for Spouse of Vested Employee

8.3.1 Eligibility for QPSA. A surviving spouse of a vested Employee is eligible for the ERISA mandated Qualified Pre-retirement Survivor Benefit, provided:

(a) The Employee was eligible for Early or Normal Retirement at the time of his death but had not retired; or

(b) The Employee was not yet eligible for Early Retirement and died prior to Early Retirement after having earned at least one Hour of Service on or after August 23, 1984, in this Plan or a Related Plan; or

(c) The Employee had retired on a Disability Retirement and thereafter died after August 23, 1984, and prior to his 65th birthday, provided that the Employee had either one Hour of Service in this Plan or a Related Plan after August 23, 1984, or ten (10) or more years of Credited Service in this Plan.

8.3.2 Commencement of QPSA. The Qualified Pre-retirement Survivor Benefit will commence in the case of an Employee who at the time of his death has attained age 55, in the month following the Employee's death; and in the case of an Employee who at the time of his death has not yet attained age

55, in the month the deceased Employee would have attained age 55 had he lived. The Qualified Pre-retirement Survivor Benefit will continue monthly for the duration of the spouse's lifetime.

In the case of an Employee who dies after the date on which he attained age 55, the amount of the Qualified Preretirement Survivor Benefit shall be computed as though the Employee had retired with a Joint and Survivor Benefit on the day before the Employee's death. In the case of an Employee who dies on or before the date on which he would have attained age 55, the amount of the Qualified Pre-retirement Survivor Benefit shall be computed as though the Employee had:

(a) Separated from service on the date of death, or the date last worked in Covered Service, if earlier;

(b) Survived to age 55;

(c) Retired with a Joint and Survivor Benefit at age 55; and

(d) Died on the day after the day on which such Employee would have attained age 55.

8.3.3 No Waiver of QPSA by Employee. An Employee is not entitled to waive the Qualified Pre-retirement Survivor Benefit or select a beneficiary other than the spouse for that benefit. The surviving spouse who qualifies will receive this benefit unless the spouse is eligible for and elects the Primary Pre-retirement Survivor Benefit, and in any case, will receive this benefit upon the expiration of the Primary Pre-retirement Survivor Benefit if the Qualified Pre-retirement Survivor Benefit would have continued beyond the expiration of the Primary Pre-retirement Survivor Benefit.

8.3.4 QPSA for Overage Surviving Spouse.

(a) Eligibility. A surviving spouse of an Employee who dies prior to age 55 may commence the Qualified Pre-retirement Survivor Benefit prior to the date the Employee would have attained age 55, if:

(1) The Primary Pre-retirement Survivor Benefit is not payable solely because the surviving spouse attained age 62, or if payable was terminated solely because the surviving spouse attained age 62; and

(2) The surviving spouse attains age 62 prior to the date the Employee would have attained age 55 had he lived.

(b) Commencement and Amount. The Qualified Pre-retirement Survivor Benefit under this Article 8.3.4 will become payable on the later of the first of the month following the Employee's death, or the first of the month following the month in which the Primary Pre-retirement Survivor Benefit terminated because the surviving spouse attained age 62. The Qualified Pre-retirement Survivor Benefit will be computed:

(1) as though the Employee separated from service on the date of death, or the date last worked in Covered Service, if earlier; and

(2) based upon the Early Retirement Income the Employee would have been eligible to receive under Article 4.2.1, 4.2.2 or 4.2.3 had he lived to age 55, but

reduced one-half (½) of one (1) percent (.50%) per month for each month the Qualified Pre-retirement Survivor Benefit is paid prior to the month the Employee would have attained age 55; and

(3) as though the Employee retired with a 50% Joint and Survivor Benefit on the day before commencement of the benefits under this Article 8.3.4.

8.4 Lump Sum Death Benefit

Upon the death, prior to retirement, of an Employee who is vested but who has not yet qualified for Early Retirement, a single Lump Sum Death Benefit of five thousand dollars ($5,000.00) shall be payable to the surviving eligible beneficiary or beneficiaries, if any, of that Employee; provided, however, that no benefit shall be payable under this Article 8.4, if any benefits are payable upon the Employee's death under Articles 8.2 or 8.3, or if the Employee was receiving Disability Retirement Income at the time of death.

8.5 Cash Out of Benefit under Articles 8.2 or 8.3

If the pre-retirement death benefit payable under Articles 8.2 or 8.3 has a Lump Sum Present Value of $5,000 or less, the Trustees, in their sole discretion, may elect to pay the benefit out in a Lump Sum Cash Payment to the spouse or other eligible beneficiary of the deceased Employee and written rejection of a monthly benefit shall not be required; provided that in the case of a beneficiary who is the spouse, no distribution may be made after the Annuity Starting Date unless the spouse consents in writing to the distribution in the manner provided by law.

ARTICLE 9. FUNDING OF PLAN BENEFITS

9.1 Purpose

All benefits under the Plan shall be paid from assets held in Trust for the exclusive purpose of providing benefits to Participants and beneficiaries and defraying reasonable expenses of administering the Plan as authorized by the Trustees pursuant to the Plan and Trust Agreement. Such assets shall be held in Trust, but also may be physically held under a group annuity contract or contracts with reputable insurance companies experienced in pension underwriting and authorized to do business in the State of Washington, or by a bank under a custodial agreement authorized by the Trustees pursuant to the Trust Agreement.

9.2 No Employee Contributions

No Employee shall or may make any voluntary contributions to the Plan. The sole source of contributions to the Plan shall be Employer Contributions made in accordance with the applicable Collective Bargaining Agreement or written contribution agreement.

9.3 Delegation of Authority to Invest Assets

The Trustees may delegate investment responsibilities, pursuant to the Trust Agreement and Article 10 of this Plan, and may appoint an investment manager or managers.

9.4 Investment Policy

The Trustees from time to time shall determine the immediate and long-term financial requirements of the Plan and on the basis of such determination establish a policy and method of funding which will enable the Trustees or the Investment Manager or

Managers, if any, to coordinate the investment policies of the Plan's funds with the objectives and financial needs of the Plan.

9.5 No Reversion to Employers or Union

In no event will any part of the Plan funds revert to any Individual Employer or the Union or be used for or diverted to any purpose other than for the exclusive purpose of providing benefits to Participants and beneficiaries and for defraying reasonable expenses of administering the Plan as authorized by the Plan or the Trust Agreement. However, a contribution made by an Individual Employer as a mistake of fact or law may be refunded by the Trustees within six months after the Trustees determine that the contribution was paid by mistake, or such additional period as may be permitted by law.

9.6 Rights Against Trustees/Employers/Union

No person shall have any claim for benefits with respect to this Plan against the Trustees, the Union, an Individual Employer or any insurance company except as may be specifically set forth in this Plan or any applicable insurance contract or as provided by applicable law. The receipt by the Fund of contributions that may be submitted on behalf of persons who may not be eligible to participate in the Plan shall not stop the Trustees from declining or terminating the participation of such persons nor shall it constitute a waiver of any of the provisions of this Plan.

9.7 No Guarantee of Benefits

Neither the Union, the Individual Employer, nor the Trustees guarantee the payment of any benefits under this Plan. It shall be specifically understood that benefits shall be paid under the Plan only to the extent that funds are available therefor under the Trust. No Individual Employer shall have any liability for the obligations under the Plan of any other Individual Employer, except as provided by applicable law. Each Individual Employer shall be discharged of all obligations to contribute under the Plan upon making the contributions required of such Individual Employer under the applicable collective bargaining agreement, except for withdrawal liability and other requirements of law.

ARTICLE 10. ADMINISTRATION

10.1 Construction of Plan

This Retirement Plan is administered by the Trustees. The Trustees may establish rules for the transaction of their business and administration of the Retirement Plan. The Trustees will have the exclusive right to construe the provisions of the Retirement Plan and to determine any and all questions arising thereunder or in connection with the administration thereof, including the right to remedy possible ambiguities and inconsistencies or omissions, and any such construction or determination by the Trustees made in good faith shall be conclusive on all persons affected thereby, provided that in any such construction or determination, the Trustees shall not discriminate in favor of any Employee or class of Employees.

10.2 Employment of Specialists and Advisors

The Trustees may employ or appoint such accountants, actuaries, counsel, specialists, clerical services, medical services, and other persons or services as they may deem necessary or desirable in connection with the administration of this Plan. The Trustees may further enter into a group annuity contract with a life insurance company for the purpose of providing any or all of the benefits provided by this Plan.

10.3 <u>Claims and Appeal Procedure</u>

10.3.1 <u>Claims</u>. Claims or application for benefits under this Plan must be made in writing to the Plan Administrator at the address listed in the Plan Booklet on forms prescribed by the Administrator.

10.3.2 <u>Denial of Claim</u>.

(a) <u>Timing of Benefit Denial (Other than Claim for Disability Retirement Benefits)</u>. Any person whose application for benefits (other than Disability Retirement Benefits) under the Plan has been denied in whole or in part, or whose claim to benefits against the Fund is otherwise denied, will be notified in writing of the denial within 90 days after the Plan's receipt of the application or claim. An extension of time, not to exceed an additional 90 days, may be required by special circumstances. If so, notice of the extension, indicating the special circumstances and the date by which a final decision is expected to be rendered, will be furnished to the claimant before the expiration of the initial 90-day period.

(b) <u>Timing of Benefit Denial for Disability Retirement Benefits</u>. Any person whose application for Disability Retirement Benefits is denied in whole or in part will be notified in writing of the denial within a reasonable period of time, but not later than 45 days after receipt of the claim. This period may be extended for up to 30 days (to a total of 75 days) if the Plan determines that an extension of time for making the determination is necessary due to matters beyond the control of the Plan, and notifies the claimant prior to the expiration of the initial 45-day period of the circumstances requiring the extension of time and the date by which the Plan expects to render a decision.

If the Plan determines that an additional extension of time for making the benefit determination is necessary due to matters beyond the control of the Plan, and notifies the claimant prior to the expiration of the first 30-day extension period of the circumstances requiring the extension of time and the date by which the Plan expects to render a decision, then the period for making a benefit determination may be extended by the Plan for an additional 30 days (to a total of 105 days).

If an extension of time is due to the claimant's failure to submit the information necessary to decide a claim for Disability Retirement Benefits, the claimant will be afforded at least 45 days within which to provide the specified information. The period for making the benefit determination will be tolled from the date on which the notification of the extension is sent to the claimant until the date on which the claimant responds to the request for additional information.

If an extension is necessary to consider a claim for Disability Retirement Benefits, the notification of the extension will specifically provide:

(1) an explanation of the standards on which entitlement to a benefit is based;

(2) the unresolved issues that prevent a decision on the claim; and

(3) the additional information needed to resolve the issues.

(c) Notice of Denial. The notice of denial will set forth the following in a manner calculated to be understood by the claimant:

(1) the specific reason or reasons for the denial;

(2) specific reference to pertinent Plan provisions on which the denial is based;

(3) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why the material or information is necessary;

(4) an explanation of the Plan's claim review procedure, and the time limits applicable to such procedures, and a statement of the claimant's right to bring a civil action under ERISA § 502(a); and

(5) in the case of a claim for Disability Retirement Benefits, if an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol, or other similar criterion, or a statement that such a rule, guideline, protocol, or other similar criterion was relied upon in making the determination and that a copy of the same will be provided free of charge to the claimant upon request.

10.3.3 Notice of Appeal to Trustees. The claimant may appeal to the Board of Trustees for a review of the denial. The notice of appeal must be in writing and should contain the following information:

NOTICE OF APPEAL

Notice is hereby given to the Trustees of the Carpenters Retirement Plan that: (claimant's name, social security number, address and telephone number) hereby appeals the decision or action of the Trustees or their representative (name of representative, if any) in (make a statement clearly identifying the decision or action being appealed) which decision was made or action taken on the _____ day of ____________________, 20__.

This appeal is based upon the rights accrued under the Plan by (name, address, and social security number of the employee on the basis of whose accrued rights under the Plan the appeal is made, if made by a beneficiary other than such Employee).

I do (not) wish to present my appeal in person or with legal counsel in a hearing before the Board of Trustees.

Together with the Notice of Appeal, a claimant should file with the Trustees a statement in writing containing the following additional information:

(a) a statement as to each ground on which claimant believes the decision or other action appealed from to have been in error;

(b) a list of the names and addresses of each person on whose testimony claimant will rely, in whole or in part, in support of the appeal, together with a short statement of the facts to which each such person is expected to testify;

(c) a list of each document on which claimant will rely in support of the appeal.

In the case of a denial of Disability Retirement Benefits, notice must be filed by the claimant or his duly authorized representative with the Administrator of the Trust within 180 days after receipt of notice of a denial of Disability Retirement Benefits, and in the case of all other adverse determinations, within 60 days after receipt of notice of the determination.

The failure to file a written notice of appeal within the time period prescribed will operate as a complete waiver and will bar claimant's right to appeal, and the decision or other action of the Trustees will be final.

10.3.4 <u>Scheduling of Appeal</u>. After the claimant has filed with the Trustees a timely notice of appeal, the Trustees will set a date for review of the appeal. The review will be conducted by the Board of Trustees, or by the Appeals Committee of the Board of Trustees, which has been allocated the authority for making a final decision in connection with the appeal.

The Trustees will review a properly filed appeal at the next regularly scheduled quarterly meeting of the Appeals Committee, unless the request for review is received by the Trustees within thirty (30) days preceding the date of such meeting. In such case, the appeal will be reviewed no later than the date of the second quarterly meeting following the Trustee's receipt of the notice of appeal, unless there are special circumstances requiring a further extension of time, in which case a benefit determination will be rendered not later than the third quarterly meeting of the Appeals Committee following the Trustee's receipt of the notice of appeal. If such an extension of time for review is required because of special circumstances, such as a request for a hearing on the appeal, then prior to the commencement of the extension, the Plan will notify the claimant in writing of the extension, describe the special circumstances and the date as of which the benefit determination will be made.

10.3.5 <u>Appeal Procedures</u>. The claimant is generally entitled to present his position and any evidence in support thereof, and may appear in person at an appeal hearing. Notwithstanding the foregoing, appeals involving issues of Plan design (including, but not limited to, requests to amend or waive a Plan provision) will be determined without a hearing based upon the written record. Appeals may be held telephonically.

The claimant may be represented by an attorney or by any other representative of his choosing at his own expense. The claimant may submit written comments, documents, records, and other information relating to the claim. The claimant will be provided upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to his claim for benefits.

The claimant must introduce sufficient credible evidence on appeal to establish, prima facie, entitlement to the relief from the decision or other action from which the appeal is taken. The claimant will have the burden of proving his right to relief from the decision or action appealed, by a preponderance of evidence. The Trustees will review all comments, documents, records, and other information submitted by the claimant related to the claim, regardless of whether such information was submitted or considered in the initial benefit determination. The Trustees will not afford deference to the initial adverse benefit determination.

When deciding an appeal of a claim for Disability Retirement Benefits that is based in whole or in part on a medical judgment, the Trustees will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment. Any medical or vocational expert whose advice was obtained on behalf of the Plan in connection with the adverse benefit determination will be identified to the claimant. Any health care professional engaged for the purpose of a consultation will not be an individual who was consulted in connection with the initial adverse benefit determination that is the subject of the appeal, nor the subordinate of any such individual.

10.3.6 Decision of Trustees. The Trustees will issue a written decision on review as soon as possible, but not later than five days after the determination is made. The decision will include:

(a) the specific reasons for the decision, written in a manner calculated to be understood by the claimant;

(b) specific references to pertinent Plan provisions on which the decision is based;

(c) a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of all documents, records, and other information relevant to the claimant's claim for benefits;

(d) in the case of a claim for Disability Retirement, a statement of the claimant's right to bring a civil action under ERISA § 502(a); and

(e) in the case of a claim for Disability Retirement, if an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol, or other similar criterion, or a statement that such a rule, guideline, protocol, or other similar criterion was relied upon in making the determination and that a copy of the same will be provided free of charge to the claimant upon request.

10.3.7 Review of Trustees' Decision.

(a) Claim for Disability Retirement Benefits. Following issuance of the written decision of the Trustees on an appeal of a claim for Disability Retirement Benefits, there is no further right of appeal to the Trustees or right to arbitration. Instead, the claimant may bring a civil action under ERISA § 502(a). Any action must be brought within 180 days of receipt of the Trustees' written decision. Failure to file a civil action within that 180-day period shall operate as a waiver of and bar the right of any further review, and the decision of the Trustees will be final and binding.

(b) Claim Other than for Disability Retirement Benefits. If the claimant is dissatisfied with the written decision of the Trustees, other than a decision on a claim for Disability Retirement Benefits, the claimant may request a further appeal by arbitration in accordance with the Employee Benefit Plan Claims Arbitration Rules of the American Arbitration Association. However, the request must be submitted in writing to the Trustees within 60 days of receipt of the Trustees' written decision. Failure of the claimant to initiate arbitration timely shall operate as a waiver of and bar the right of any further review, and the decision of the Trustees shall be final and binding. If requested, the administrator will assist the aggrieved person in preparing the request for arbitration. In the event the matter is submitted to arbitration, the appeal will be limited to a transcript of witness testimony, the exhibits, and the Findings and Decision of the Trustees (or Appeals Committee of the Trustees). The arbitrator shall not have the power or authority to add to, subtract from, or in any way modify the Plan, Trust Agreement, insurance contracts, if any, or the rules and regulations of the Trust.

The expenses of arbitration will be borne equally by the appealing party, and by the Trust Fund unless otherwise ordered by the arbitrator. Each party is responsible for its own attorney fees. The decision of the arbitrator is final and binding on all parties, and judgment upon the award may be entered in any Court having jurisdiction thereof.

(c) Question on Review. The question for consideration on review of the Trustees' decision is whether the Trustees abused their discretion.

10.3.8 Exhaustion of Remedies. A claimant must exhaust his remedies under the foregoing procedures as a condition precedent to the commencement of a lawsuit or arbitration.

10.4 Eligible Rollover Distributions

10.4.1 Direct Rollover. Effective for distributions payable on and after November 1, 2009, an Employee, surviving spouse, or nonspouse beneficiary entitled to a distribution may elect to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan in a Direct Rollover. Notwithstanding the foregoing, distributions less than $200 per calendar year are not eligible for Direct Rollover.

10.4.2 Eligible Rollover Distribution. An Eligible Rollover Distribution is any distribution of all or any portion of the balance to the credit of the Employee, surviving spouse, or nonspouse beneficiary, provided that an Eligible Rollover Distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Employee and the Employee's designated beneficiary, or for a specified period of ten years or more;

any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the surviving spouse or nonspouse beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Internal Revenue Code § 401(a)(9); and the portion of any distribution that is not includable in gross income.

10.4.3 Eligible Retirement Plan. In the case of distributions made to an Employee, an Eligible Retirement Plan is an individual retirement account described in Internal Revenue Code § 408(a), an individual retirement annuity described in Internal Revenue Code § 408(b), an annuity plan described in Internal Revenue Code § 403(a), a qualified trust described in Internal Revenue Code § 401(a), an annuity contract described in Internal Revenue Code § 403(b), or an eligible plan under Internal Revenue Code § 457(b) which is maintained by an eligible employer described in Internal Revenue Code § 457(e)(1)(A), that accepts the Eligible Rollover Distribution. Effective January 1, 2008, an Eligible Retirement Plan also means a Roth IRA, provided that the distributee is eligible to make a qualified rollover contribution to a Roth IRA as described in Internal Revenue Code § 408A(c)(3)(B). The definition of Eligible Retirement Plan shall also apply in the case of a distribution to a surviving spouse or to a spouse or former spouse who is an alternate payee under a Qualified Domestic Relations Order. Effective November 1, 2009, in the case of a distribution to a nonspouse beneficiary, an Eligible Retirement Plan is an individual retirement account described in Internal Revenue Code § 408(a), or an individual retirement annuity described in Internal Revenue Code § 408(b), which is established in a manner which identifies it as an account with respect to the deceased Employee and also identifies the deceased Employee and the nonspouse beneficiary.

10.4.4 Direct Rollover. A Direct Rollover is a payment by the Plan to the Eligible Retirement Plan specified by the Employee or surviving spouse.

10.4.5 Limit on Distributions. An Employee or surviving spouse may split an Eligible Rollover Distribution which is greater than $500, by receiving a portion as a Direct Rollover and receiving direct payment of the balance, provided that the amount to be distributed as a Direct Rollover must be at least $500. Only one Direct Rollover shall be allowed with respect to each distribution.

10.4.6 Acceptance of Rollover Distributions. The Plan shall not accept rollover distributions, except for Participants electing the Pension Enhancement Option under Article 10.5.

10.5 Pension Enhancement Options

At the election of the Employee whose Retirement Income Starting Date is prior to December 31, 2017, the Plan may accept transfer of all or part of a lump sum distribution from the Employee's account in the Amended Carpenters of Western Washington Individual Account Pension Plan ("Individual Account Plan") for the purpose of providing additional monthly retirement income from this Plan. The Plan shall not accept a transfer before the Employee's retirement under this Plan, provided that if the Employee retires on a Disability Retirement, the Plan shall not accept a transfer until the Employee reaches his Normal Retirement Date.

The amount of the additional monthly retirement income shall be calculated in accordance with Article 6.1.2 using the Plan's then current actuarial assumptions used for ERISA minimum funding purposes, paid in the same form of retirement benefit elected by the Employee at retirement. For Retirement Dates on or after January 1, 2013, the amount of the additional monthly retirement income calculated under this Article shall not be less than the benefit calculated using the applicable mortality table and applicable interest rates specified in Internal Revenue Code § 417(e)(3), using the same look-back and stability period described in Article 1.14. Any supplemental benefits and increases approved by the Trustees shall be applied to the additional monthly retirement income.

If monthly benefits terminate under the form of retirement benefit elected by the Employee before the Plan pays out (in additional monthly benefits) the total transferred amount, the balance of the transferred amount shall be paid in a lump sum to the Employee's surviving designated beneficiary. If there is no surviving designated beneficiary, the balance of the transferred amount shall be paid to the Employee's estate.

ARTICLE 11. AMENDMENTS/MERGERS

11.1 Amendments

The Trustees reserve the right to change, modify or amend the Retirement Plan at any time, retroactively or otherwise, except that any amendment which operates to diminish an Employee's vested benefits under this Plan, or to enlarge the requirements, may do so only prospectively, and no amendment shall have the effect of reducing the non-forfeitable or vested percentage of an Employee's accrued benefit or the benefits payable to persons who have retired prior to such amendment.

It is intended that the Retirement Plan will constitute a qualified Pension Plan under the applicable provisions of the U.S. Internal Revenue Code and ERISA and regulations of the Internal Revenue Service and U.S. Department of Labor. Any amendment of the Plan may be made retroactively, if necessary and appropriate, to qualify the Plan to meet the requirements of the applicable law and regulations. No amendment of the Plan shall be adopted which will impair the actuarial soundness of the Plan, or cause or result in the expenditure of any portion of the funds to inure to any Individual Employer or Union or for any other purpose other than for the exclusive benefit of the Participants and their beneficiaries.

Amendments shall be approved by the Trustees and signed by the Co-Chairmen of the Board of Trustees.

11.2 Mergers/Consolidations

No merger, consolidation or other transfer of the assets and liabilities of the Trust to another Trust shall be made unless each Participant of this Trust would (if the Plan then terminated) receive a benefit immediately after the merger, consolidation or transfer which is equal to or greater than the benefit he would have been entitled to receive immediately before the merger, consolidation or transfer (if the Plan had been terminated).

ARTICLE 12. TERMINATION OF PLAN

12.1 Benefits Nonforfeitable if Plan Terminated

It is expected that the Plan will be continued in effect indefinitely and that each Individual Employer will continue to make contributions required by applicable collective bargaining agreements. The Trustees reserve the right to institute proceedings to effect a partial or total termination of the Plan.

In the event of a partial or total termination of the Plan or a complete discontinuance of Employer Contributions, the Normal Retirement Benefit, credited to each Participant, to the extent funded as of the date of termination or discontinuance, will be nonforfeitable.

12.2 Notice to Pension Benefit Guaranty Corporation

The Trustees shall file a notice of termination with the Pension Benefit Guaranty Corporation as required by law.

12.3 Insurance Coverage of Pension Benefit Guaranty Corporation

The Pension Benefit Guaranty Corporation, a non-profit corporation, has been established within the Department of Labor by the Employee Retirement Income Security Act of 1974 to insure that Participants and beneficiaries covered under the Plan do not incur a loss of benefits caused by a termination of the Plan before sufficient funds have been accumulated to pay all benefits.

Under certain conditions specified in applicable federal laws and regulations, the Pension Benefit Guaranty Corporation may institute proceedings to terminate the Plan. In this event, the Pension Benefit Guaranty Corporation will be responsible for determining the degree of insurance coverage, the priority of claims, and the distribution of assets and insurance proceeds to all claimants.

12.4 Payment of Retirement Benefits

An Employee's benefit, determined to be payable upon termination or partial termination under Article 12.1, will be equal to the amount of monthly retirement benefit to which he is entitled under Article 6. Plan assets shall be allocated to provide benefits on the basis of an actuarial study and report by a qualified actuary to be designated by the Trustees, in accordance with applicable laws and regulations. Benefits, with respect to those Participants who have then attained their Normal Retirement Dates, will be distributed in the form of an immediate pension benefit. All other benefits will be in the form of a paid-up deferred pension benefit, with payments commencing on the Participants' Normal Retirement Dates. The form of the pensions so distributed will be in accordance with Article 6. Benefits, when determined as described below, will remain fixed regardless of any person's employment status thereafter.

12.5 Payment of Any Remaining Funds

If, after the provisions of Article 12.4 have been applied, any balance remains in the Plan funds, such remaining balance shall be allocated among all Participants in accordance with a non-discriminatory formula to be determined by the Trustees. Any amount to be allocated to a Participant may be in cash or in the form of a monthly benefit at the discretion of the Trustees. The determinations to be made under the provisions of this Article shall be based on an actuarial study and report by a qualified actuary to be designated by the Trustees.

ARTICLE 13. INALIENABILITY

13.1 No Right to Attachment, Garnishment, Assignment, Etc.

No Employee or other person having or claiming to have any interest of any kind or character in or under this Retirement Plan or in any payment therefrom will have any right to sell, assign, transfer, convey, hypothecate, anticipate, or otherwise dispose of such interest, and such interest will not be subject to any liabilities or obligations of or any bankruptcy proceedings, claims of creditors, attachment, garnishment, execution, levy, or other legal process against such person or his property.

13.2 Qualified Domestic Relations Order Exception

Notwithstanding the foregoing, the Plan will pay benefits in accordance with the applicable requirements of any Qualified Domestic Relations Order (QDRO), which term, for the purposes of this Plan, means a state court order satisfying the following requirements:

13.2.1 Such order must relate to the provision of child support, alimony payments or marital property rights of a spouse, former spouse, child or other dependent which recognizes the existence of such an alternate payee's right to, or assigns to such an alternate payee the right to, receive all or a portion of an Employee's benefits.

13.2.2 Such order must specify:

(a) The name and last-known mailing address of the Employee and each alternate payee covered by the order;

(b) The amount or percentage of benefits to be paid to each alternate payee, or the manner in which such amount or percentage is to be determined;

(c) The number of payments or period to which such order applies; and

(d) Each plan to which such order applies.

13.2.3 Such order must not:

(a) Require the Plan to provide any type or form of benefits, or any option, not otherwise provided under the Plan, except as provided in 13.2.4 below;

(b) Require the Plan to provide increased benefits determined on the basis of actuarial value; or

(c) Require the payment of benefits to an alternate payee which are required to be paid to another alternate payee under another order previously determined to be a Qualified Domestic Relations Order.

13.2.4 Such order may:

(a) Provide that the former spouse shall be treated as a surviving spouse of the Employee as to accrued benefits earned during the marriage to the former spouse; or

(b) Require that payments be made to an alternate payee on or after the date the Employee is eligible for an Early Retirement Pension in any form other than a Joint and Survivor Benefit, even though the Employee has not ceased Covered Employment; provided, however, that if a QDRO requires payment at the time the Employee is first eligible to retire, even though the Employee has not retired, the former spouse will not be entitled to any subsequent increase in the Employee's accrued benefits. If the QDRO provides for payments to the former spouse only after the Employee actually takes Early or Normal Retirement, the former spouse will be entitled to have her benefits adjusted to share in any benefit increases, if the QDRO so provides.

13.2.5 If a former spouse to whom benefits would have been payable under a QDRO dies before any such benefits are payable, then unless the QDRO provides for the payments to be made to another alternate payee, any interest of the former spouse in the benefits shall terminate and revert to the Employee.

13.2.6 No domestic relations order shall be considered a QDRO until it has been approved as such, in writing, by the Plan.

13.2.7 During any period in which the Plan has received a proposed QDRO and the issue of whether the order is a QDRO is being determined, the Plan shall separately account for amounts which would have been payable to the alternate payee during such period if the order had been determined to be a QDRO (referred to as segregated amounts). If, within the 18-month period beginning with the date the first payment would be required under the order, it is determined that the order is a QDRO, the segregated amounts shall be payable to the person or persons entitled thereto under the QDRO. If within the 18-month period it is determined that the order is not a QDRO, or the issue of whether the order is a QDRO is not resolved, the Plan shall pay the segregated amounts to the person or persons who would have been entitled to such amounts if there had been no order. Any determination that an order is a QDRO made after the 18-month period shall apply prospectively only.

13.2.8 The Plan shall not make a determination that an order is a QDRO if the order requires payment of benefits which were paid prior to the Plan's receipt of the QDRO.

13.2.9 The alternate payee shall notify the Trustees in writing of the intent to commence benefits. The Plan may require the alternate payee to submit documentation in support of the application to commence benefits.

13.2.10 This Article 13.2 establishes the Plan's procedures for determining the qualified status of Domestic Relations Orders and for administering distributions under qualified orders.

ARTICLE 14. SCOPE OF THE PLAN

14.1 **Extension of Plan**

The Trustees may extend the benefits of this Plan to Employees of other employer groups and other union locals.

14.2 **Reciprocity Agreements**

The Trustees shall have the right to enter into reciprocal agreements with other pension plans.

ARTICLE 15. MISCELLANEOUS PROVISIONS

15.1 Information to Be Furnished

An Employee or Associate Employee shall furnish the Trustees any information or proof that they may deem necessary and reasonable in order to administer the terms of this Retirement Plan.

15.2 Contributions

All contributions to the Fund will be made by the Individual Employers and in amounts as specified in their respective Collective Bargaining Agreements.

15.3 Applicable Law

This Retirement Plan shall be construed, regulated, and administered under the federal laws of the United States and, to the extent not preempted, the laws of the State of Washington.

15.4 Savings Clause

If any provisions of the Plan are held to be illegal or invalid for any reason, such illegality, or invalidity shall not affect the remaining parts of the Plan, but the Plan shall be construed and enforced as if such illegal and invalid provisions had never been inserted in the Plan.

15.5 Masculine Gender

The masculine gender shall include the feminine wherever applicable.

15.6 Withdrawal Liability

15.6.1 Adoption of Optional Provisions. The following provisions are adopted to comply with the Multiemployer Pension Plan Amendments Act of 1980 (P.L. 96-364), which requires that certain optional provisions of that Act be set forth in the Plan.

15.6.2 Interest Assumption. The Plan shall use an interest discount assumption for calculating withdrawal liability, which is the greater of:

(a) the PBGC immediate annuity rate in effect at the valuation date for terminating a single employer plan, less one and one-half percent (1½%); or

(b) the valuation funding assumption.

15.6.3 Fresh Start Option. The fresh start option shall apply for Plan withdrawals occurring on or after January 1, 2007, by substituting the Plan Year ending December 31, 2006, for the Plan Year ending before September 26, 1980 (ERISA § 4211(c)(5)(E)).

15.6.4 Free Look Option. The free look option shall apply for Plan withdrawals on or after January 1, 2007, as long as the following apply:

(a) the ratio of Plan assets to benefits paid for the Plan Year preceding the first Plan Year for which the employer was required to contribute was at least 8 to 1;

(b) the Individual Employer had an obligation to contribute to the Plan for no more than five years;

(c) the Individual

Employer's required contributions for each of the five Plan Years prior to withdrawal did not exceed 2% of the total Plan contributions made for that Plan Year;

(d) the Individual Employer has not previously avoided withdrawal liability under this rule; and

(e) the Individual Employer first had an obligation to contribute to the Plan after September 26, 1980 (ERISA § 4210).

In the event an Individual Employer withdraws from the Plan under this free look option, that part of any past service credit and past service accrued benefit (including but not limited to service under Article 1.8.5) for which an Employee was previously eligible because of employment for that Individual Employer prior to the participation of such Individual Employer in this Plan shall be forfeited.

15.7 Qualified Military Service

Notwithstanding any provision of this Plan to the contrary, contributions, benefits and Credited Service with respect to qualified military service will be provided in accordance with § 401(a)(37) and § 414(u) of the Internal Revenue Code, provided that benefit accrual will not be provided for an individual who dies while performing qualified military service, and provided further that reemployment rights are not provided to an individual who becomes disabled while performing qualified military service and fails to resume employment. Funding to provide benefits attributable to periods of qualified military service shall be at Plan expense. Hours of Service for qualified military service shall be based upon the Employee's average Hours of Service during the twelve (12) month period immediately preceding the qualified military service, or, if shorter, the period of employment immediately preceding the qualified military service.

15.8 Relief from Registration with CFTC.

Pursuant to Rule 4.5(a) of the Commodity Futures Trading Commission (CFTC), the Board of Trustees is not a commodity pool operator with respect to the Trust and therefore does not register with the CFTC.

Assets of the Trust are invested through the Group Investment Trust of the Carpenters Individual Account Pension Trust of Western Washington and the Carpenters Retirement Trust of Western Washington ("Group Investment Trust"). The CFTC granted relief from registration as a commodity pool operator and commodity trading advisor to the Board of Trustees of the Group Investment Trust with respect to their operation of that trust, and pursuant to that relief the Trustees of the Group Investment Trust have not registered with the CFTC.

Adopted this 28th day of March, 2017.

APPENDIX A

Carpenters Retirement Plan of Western Washington
Joint and Survivor Benefit Factors
Applicable to Accrued Benefit Earned Prior to January 1, 2017

Beneficiary's Age In Relation to Retiree's Age	50% Joint and Survivor	75% Joint and Survivor	100% Joint and Survivor
Each additional year older	+.005	+.007	+.008
+10 Years	.930	.900	.866
+9	.925	.893	.858
+8	.920	.886	.850
+7	.915	.879	.842
+6	.910	.872	.834
+5	.905	.865	.826
+4	.900	.858	.818
+3	.895	.851	.810
+2	.890	.844	.802
+1	.885	.837	.794
Same age as your beneficiary	.880	.830	.786
-1 Year	.875	.823	.778
-2	.870	.816	.770
-3	.865	.809	.762
-4	.860	.802	.754
-5	.855	.795	.746
-6	.850	.788	.738
-7	.845	.781	.730
-8	.840	.774	.722
-9	.835	.767	.714
-10	.830	.760	.706
Each additional year younger	-.005	-.007	-.008

APPENDIX B

Carpenters Retirement Plan of Western Washington
SIB Unit Value

Date	SIB Unit Value
January 1, 2017	$10.0000
January 1, 2018	$10.1087

INDEX

INDEX

INDEX

INDEX

INDEX

For additional information contact

Carpenters Retirement Plan
of Western Washington

www.ctww.org

PO Box 1929
Seattle, WA 98111-1929
(206) 441-6514 Seattle Area
(800) 552-0635 Nationwide

7/2018 25M