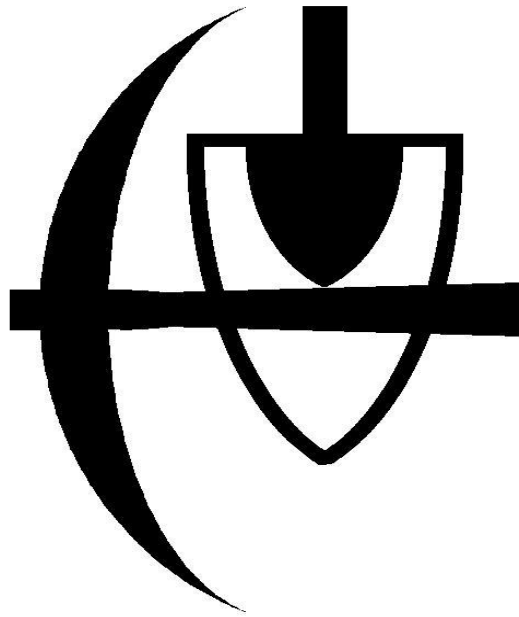


**LABORERS
PENSION TRUST FUND
FOR NORTHERN CALIFORNIA**

PENSION PLAN



Rules and Regulations
Amended and Restated as of June 1, 2014

LABORERS PENSION TRUST FUND FOR NORTHERN CALIFORNIA

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Laborers Pension Trust Fund for Northern California

Pension Plan - Rules and Regulations

Amended and Restated as of June 1, 2014
(Including Amendment Nos. 1-3 to the June 1, 2010 Restatement)

This document contains the Rules and Regulations of the Pension Plan, as amended effective June 1, 2014 and constitutes an amendment, restatement and continuation of the Plan. This revised Pension Plan is intended to comply with the Employee Retirement Income Security Act of 1974 with the requirements for tax qualification under the Internal Revenue Code and all regulations and is to be interpreted and applied consistent with that intent.

This amended and restated Pension Plan replaces the prior Plan and unless otherwise indicated, pensions or benefits that commenced prior to June 1, 2014, as well as deferred vested benefits of former employees who had a Separation from Covered Employment prior to June 1, 2014, are to be determined based on the Pension Plan rules in effect on the date of Separation.

Article I. Definitions

Unless the context or subject matter requires otherwise, the following definitions will govern in the Plan:

Section 1.01. "Actuarial Present Value," unless otherwise specified in the Plan, means:

- a. For determinations of any Annuity Starting Date that is on or after June 1, 2000, a benefit that has the same actuarial value as another benefit based on the "Applicable Mortality Table" and the "Applicable Interest Rate". For this purpose:
 - (1) the "Applicable Mortality Table" for a year is the table prescribed for use in that year in Regulations under Code §417(e), and which until modified or superseded, is the table set forth in Revenue Ruling 95-6; **and**
 - (2) the "Applicable Interest Rate" is, for a year, the annual rate of interest on 30-year Treasury securities as specified by the commissioner of Internal Revenue for the March (as published in the succeeding April) immediately preceding the calendar year that contains the Annuity Starting Date.
- b. For determinations of any Annuity Starting dates made on or after June 1, 2008, the Applicable Mortality Table means the mortality table specified for

the calendar year that contains the first day of the Plan Year under subparagraph (A) of Code §430(h)(3) (without regard to subparagraph (C) or (D) of such section). The Applicable Interest Rate means the adjusted first, second, and third segment rates applied under rules similar to the rules of Code §430(h)(2)(C) for the second month before the Plan Year in which the distribution date occurs or such other time as the Secretary may by regulations prescribe. For this purpose, the segment rates shall be subject to the conditions set forth in Code §417(e)(3)(D).

- c. For Annuity Starting Dates in years before June 1, 2000, a benefit of equal actuarial value is determined by using the interest rate prescribed by the Pension Benefit Guaranty Corporation (PBGC) for valuing annuities under single-employer plans that terminate November 30, 1980 without Notice of Sufficiency during the first day of the calendar year in which the benefit is valued. The mortality assumption will be as follows:
 - (1) For payment where the Participant is not disabled as defined in Section 3.08, the 1971 Group Annuity Mortality Table, weighted as follows:
 - (a) for a Participant's benefit, 100% male and 0% female;
 - (b) for the benefit of a Participant's Spouse (or former Spouse), 0% male and 100% female; **and**
 - (c) in any other case, 50% male and 50% female.
 - (2) For payment where the Participant is disabled as defined in Section 3.08, the PBGC Mortality Tables for Disabled Lives Eligible for Social Security Disability Benefits weighted according to Subsection a. above.

Notwithstanding the foregoing, the lump sum Actuarial Present Value of any benefit payable under the Plan will not be less than the amount produced using the Mortality Tables in c.(1) or c.(2) above, based on a 7% interest assumption.

Section 1.02. "Actuarial Equivalence" means benefits of equal Actuarial Present Value based on the actuarial factors and assumptions specified in the provision in which that term is used or, if not otherwise specified, based on the assumptions described in Section 1.01.

Section 1.03. "Annuity Starting Date"

- a. "Annuity Starting Date" means the date benefits are calculated and paid under the Plan and is the first day of the month after or coincident with the later of:
 - (1) the month following the month in which the claimant has fulfilled all of the conditions for entitlement to benefits, including the filing of a completed application for benefits; **or**
 - (2) 30 days after the Plan advises the Participant of the available benefit payment options.
- b. Notwithstanding Subsection a. above, the Annuity Starting Date may occur and benefits may begin before the end of the 30 day period, provided:
 - (1) the Participant and Spouse, if any, consent in writing to the commencement of payments before the end of the 30 day period and distribution of the pension begins more than 7 days after the written explanation was provided to the Participant and Spouse,
 - (2) the Participant's benefit was previously being paid because of an election after the Normal Retirement Age; **or**
 - (3) the benefit is being paid automatically as a lump sum under Section 9.09 of the Plan.
- c. Notwithstanding Subsection a. above, a Participant who has attained Normal Retirement Age and consented to waive the 30 day period in accordance with Subsection b.(1) above, may elect an Annuity Starting Date that is retroactive to the first day of any month following the date he had both attained Normal Retirement Age and fulfilled all of the conditions for entitlement to benefits, except the filing of an application.
- d. The Annuity Starting Date cannot be later than the Participant's Required Beginning Date.
- e. The Annuity Starting Date for a Beneficiary or alternate payee under a Qualified Domestic Relations Order (within the meaning of Section 206(d)(3) of ERISA and Section 414(p) of the Internal Revenue Code) will be determined as stated in Subsections a. and b. above, except that references to the Joint-and-Survivor Pension and spousal consent do not apply.

- f. A Participant who retires before his Normal Retirement Age and then earns additional benefit accruals under the Plan through re-employment will have a separate Annuity Starting Date determined under this Section with respect to those additional accruals including the election of any benefit payment options available under the Plan.

A Participant who retires on or after his Normal Retirement Age and then earns additional benefit accruals under this Plan through re-employment will retain his original Annuity Starting Date. Payment of any additional benefit accruals will be made in accordance with Section 9.07.b.

- Section 1.04.** **“Bargaining Unit”** means a group of Employees for which the provisions of the Collective Bargaining Agreement requiring Employer Contributions to this Fund are the same. The Bargaining Unit applicable to each Employee is the Bargaining Unit in which the Employee was employed when Contributions were first made on his behalf.
- Section 1.05.** **“Beneficiary”** means a person who is receiving benefits under this Plan because of his designation for those benefits by a Pensioner or Participant.
- Section 1.06.** **“Board of Trustees”** or **“Board”** means the Board of Trustees established by the Trust Agreement.
- Section 1.07.** **“Building and Construction Industry”** means all building construction and all heavy, highway, and engineering construction including, but not limited to, the construction, erection, alteration, repair, modification, demolition, addition or improvement in whole or in part of any building, structure, street, highway, bridge, viaduct, railroad, tunnel, airport, water supply, irrigation, flood control and drainage system, sewer and sanitation project, dam, power house, refinery, aqueduct, canal, river and harbor project, wharf, dock, breakwater, jetty, quarrying of breakwater or riprap stone, or any other operation incidental to that construction work.
- Section 1.08.** **“Children”** mean the Participant’s natural or adopted children.
- Section 1.09.** **“Code”** means the Internal Revenue Code of 1986, as amended, including any regulations.
- Section 1.10.** **“Collective Bargaining Agreement”** means the Collective Bargaining Agreement as defined in Section 1 of Article I of the Trust Agreement which provides for the making of Employer Contributions to this Pension Fund.

Section 1.11. "Compensation" means:

- a. For the purposes of identifying Highly Compensated Employees and establishing the limitations under Section 415 of the Internal Revenue Code (for any calendar year after December 31, 1997), a Participant's annual Compensation means the total cash salary or wages paid to the Participant during a Plan Year and reportable as earnings subject to income tax on Form W-2. Compensation includes any elective deferral (as defined under Code Section §402(g)(3)), and any amount that is contributed or deferred by the Employer at the election of the Employee and which, by reason of Code Section §§ 125, 132(f)(4), 402(e)(3), 402(k), 402(h)(1)(B) or 457, is not includible in the gross income of the Employee.
- b. Compensation does not include:
 - (1) Amounts realized from the exercise of a non-qualified stock option, or when restricted stock (or property) held by the Employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture;
 - (2) Amounts realized from the sale, exchange or other disposition of stock acquired under a qualified stock option; **and**
 - (3) Other amounts which received special tax benefits, other than amounts referred to in Subsection a. above.
- c. In addition to any other applicable limitations which may be set forth in the Plan and notwithstanding any other provisions of the Plan, Compensation taken into account under the Plan for any Plan Year for the purpose of calculating a Participant's accrued benefit (including the right to an optional benefit provided under the Plan) cannot exceed the limits set forth in Section 401(a)(17) of the Internal Revenue Code, as adjusted for changes in the cost of living as provided in Sections 401(a)(17) and 415(d) of the Code. This limit will be applied on an Employer-by-Employer basis.

Effective January 1, 2002, the maximum Compensation taken into account will be subject to the limits described in Section 13.03.
- d. Effective for years beginning after December 31, 2008, Compensation shall include military differential wage payments (as defined in Section 3401(h) of the Code).

Section 1.12. "Continuous Non-Covered Employment" means employment for a Contributing Employer after June 1, 1976 in a job not covered by this Plan which

is continuous with a Participant's Covered Employment with the same Contributing Employer. A period of Non-Covered Employment will be considered to be continuous with Covered Employment only if there is no resignation, discharge, or other termination of employment between the period of Covered and Non-Covered Employment. "Hours Worked in Continuous Non-Covered Employment" means all Hours Worked in Continuous Non-Covered Employment after June 1, 1976.

Section 1.13. "Contributing Employer," "Individual Employer," or "Employer" means any Individual Employer who is required by the Collective Bargaining Agreement to make Contributions to the Pension Fund or who makes one or more Contributions to the Trust Fund. The term "Individual Employer" also includes the Union, any of its affiliated local unions, any labor council or other labor organization with which the Union or any local union is affiliated, and any trust or other entity that provides services in the training or retraining of laborers, which makes Contributions to the Trust Fund with respect to the work of its Employees under a Subscriber's Agreement approved by the Board of Trustees, but only to the extent that the inclusion is permitted by existing laws and regulations and subject to the terms and conditions of those laws or regulations. The Union or any local union, labor council, other labor organization, trust or other entity is an Individual Employer solely for the purpose of making Contributions with respect to the work of its Employees and has no other rights or privileges under the Trust Agreement as an Individual Employer. An Employer is not deemed a Contributing Employer simply because it is part of a controlled group of corporations or of a trade or business under common control, some other part of which is a Contributing Employer.

For purposes of identifying highly compensated employees and applying the rules of participation, vesting and statutory limits on benefits under the Trust Fund but not for determining Covered Employment, the term "Individual Employer" includes all members of an affiliated service group of the Individual Employer within the meaning of the Code §414(m) and all other businesses aggregated with the Individual Employer under Code §414(o).

Section 1.14. "Contribution Date" means the first day that Employer Contributions were required by the Collective Bargaining Agreement for a Bargaining Unit. The Contribution Date for an Employee is the date the first Employer Contribution was made on his behalf.

Section 1.15. "Covered Employment" means employment on work covered by the Collective Bargaining Agreement or work for the Union, any affiliated local union or the Laborers Training and Retraining Trust Fund for Northern California for which Contributions are made to the Pension Fund under regulations adopted by the

Board of Trustees. Hours Worked in Covered Employment means all Hours Worked for which Employer Contributions are made or are required to be made to the Trust Fund.

Section 1.16. “Employee” means any employee of an Individual Employer who performs one or more hours of work covered by the Collective Bargaining Agreement. The term “Employee” also includes (a) employees of the Union, any of its affiliated local unions, or any labor council or other labor organization with which the Union or any local union is affiliated, and (b) employees of any trust or other entity that provides services in the training or retraining of laborers, but only to the extent that the inclusion is consistent with rules and regulations adopted by the Board of Trustees as set forth in a Subscriber’s Agreement, and is permitted by existing laws and regulations, subject to the terms and conditions of those laws or regulations.

The term “Employee” does not include any self-employed person, whether a sole proprietor or a partner.

Solely for purposes of testing for compliance with the nondiscrimination regulations under Section 401(a)(4) of the Internal Revenue Code, all leased employees as defined in Code §414(n) or §414(o) who have performed services for a Contributing Employer on a substantially full-time basis for a period of at least one year will be treated as employed by a Contributing Employer except to the extent these leased employees are excluded in accordance with Code Section §414(n)(5).

Section 1.17. “Employer Contribution” or “Contributions” means the payment made or required to be made to the Trust Fund by any Employer.

Contributions that are required to pay for the hours credited for periods of Qualified Military Service will be allocated from general assets of the Trust Fund. No Individual Employer will be liable to make Contributions for those hours.

Contributions for periods of Qualified Military Service will be based on the Employer contribution rate that would have applied had the Participant not entered Qualified Military Service, but continued to work in Covered Employment. Hours granted for Qualified Military Service will be credited in accordance with Section 6.05.b.

Section 1.18. “Highly Compensated Employee”

a. The term “highly compensated employee” includes highly compensated active employees and highly compensated former employees of an Employer.

Whether an individual is a highly compensated employee is determined separately with respect to each Employer, based solely on that individual's compensation from or status with that Employer.

- b. Effective June 1, 1997, a Highly Compensated Employee is any employee who:
 - (1) Was a 5% owner of the Employer at any time during the year or the preceding year, **or**
 - (2) For the preceding year
 - (a) Had compensation from the Employer in excess of \$80,000 (as adjusted annually for increases in the cost-of-living in accordance with regulations prescribed by the Secretary of the Treasury); **and**
 - (b) Was in the top-paid group of employees for the preceding year. An employee is in the top-paid group of employees for any year if the employee is in the group consisting of the top 20% of the total employees when ranked by compensation paid during that year.
 - (c) For purposes of determining if an employee's compensation from an Employer exceeds \$80,000 (adjusted for the cost of living) in the preceding year, the preceding year will be the calendar year beginning within the Plan Year immediately preceding the Plan Year for which the test is being applied.

Section 1.19. "Hours Worked" means hours for which an Employee is paid, or entitled to payment for the performance of duties for a Contributing Employer and hours for which back pay, irrespective of mitigation of damages, is awarded or agreed to by a Contributing Employer, to the extent the award or agreement is intended to compensate an Employee for periods during which the Employee would have been engaged in the performance of duties for the Contributing Employer.

Section 1.20. "Non-Bargained Employee" means a Participant whose participation is not covered by the Collective Bargaining Agreement.

Section 1.21. "Normal Retirement Age" means age 65 or, if later, the age of the Participant on the fifth anniversary of his participation, disregarding participation before June 1, 1988. For all other Participants "Normal Retirement Age" means age 65 or, if later, the age of the Participant on the tenth anniversary of his participation.

Participation before a Permanent Break in Service and participation before a temporary Break in Service in the case of a former Participant who has not returned to Covered Employment and re-established participation in accordance with Section 2.04 will not be counted.

- Section 1.22.** **“Participant”** means a Pensioner or an Employee who meets the requirements for participation in the Plan as set forth in Article 2, or an Employee who has attained Vested Status under this Plan and has Separated from Covered Employment. A **“Vested Participant”** includes an Employee who qualifies for a Deferred Vested Pension in accordance with the provisions of Section 3.16.
- Section 1.23.** **“Pension Fund”** or **“Fund”** means the trust fund created and established by the Pension Trust Agreement.
- Section 1.24.** **“Pension Plan”** or **“Plan”** means the Pension Plan established by the Collective Bargaining Agreement and the Trust Agreement, including any amendment, extension or renewal of the Plan.
- Section 1.25.** **“Pensioner”** means a retired Employee receiving pension benefits under the Pension Plan, and any other person to whom a pension would be paid but for the time required for administrative processing. A Pensioner who has returned to Covered Employment and is accruing benefits on the same basis as other Employees as of the effective date of a benefit increase will not be considered a Pensioner for purposes of that benefit increase.
- Section 1.26.** **“Plan Credit Year”** means the period August 1 of any year to July 31 of the succeeding year. For purposes of ERISA regulations, the Plan Credit Year will serve as the vesting computation period and benefit accrual computation period, and after the initial period of employment, the computation period for eligibility to participate in the Plan.
- Section 1.27.** **“Plan Year”** means the Trust Fund’s fiscal year which is the period from June 1 of any year through May 31 of the following year.
- Section 1.28.** **“Qualified Domestic Relations Order”** means a Domestic Relations Order which has been determined, under the procedures established by the Board, to be a qualified Domestic Relations Order as defined in Section 206(d)(3) of ERISA.
- Section 1.29.** **“Qualified Military Service”** means a Participant’s qualified military or other uniformed service period under the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended, (USERRA) and Section 414(u) of the Internal Revenue Code.

Notwithstanding any other provisions in the Plan, contributions, vesting, benefits, and service credit with respect to Qualified Military Service will be provided in accordance with USERRA and Section 414(u) of the Internal Revenue Code for Participants who return to Covered Employment (or make themselves available for Covered Employment) from Military Service. Qualified Military Service will be counted for purposes of earning Benefit Units, benefit accruals, Credited Future Service, avoiding a Break in Service, and preventing a Separation from Covered Employment provided the following conditions are satisfied:

- a. A Participant has re-employment rights under USERRA.
- b. A Participant had not incurred a One-Year Break in Service at the time he entered Qualified Military Service.
- c. A Participant had been employed in Covered Employment immediately prior to his Qualified Military Service.

No more than 5 years of Qualified Military Service may be recognized for any purpose, except as required by law.

Section 1.30. "Required Beginning Date" is April 1 of the calendar year following the year the Participant reaches age 70 ½.

Section 1.31. "Retroactive Annuity Starting Date"

- a. A Retroactive Annuity Starting Date is an Annuity Starting Date that is affirmatively elected by a Participant that occurs on or before the date the written explanation of benefit payment options described in Section 1.03 and Article 7 is provided to the Participant.
- b. Benefits payable under a Retroactive Annuity Starting Date will consist of an initial single sum payment of benefits attributable to the period beginning on the Participant's Retroactive Annuity Starting Date and ending prior to the first of the month benefit payments commence. This single sum will include interest at an appropriate rate from the date the missed payment or payments should have been made to the date that the actual payment is made. The Board of Trustees has determined the interest rate to be 4% simple interest which will remain in effect until such time as changed by a motion adopted by the Board. Monthly payments made subsequent to the single sum payment will be in the amount that would have been paid to the Participant had payments actually commenced on the Participant's Retroactive Annuity Starting Date.

- c. A Participant who otherwise satisfies the conditions of Subsection a. above, but who does not affirmatively elect a Retroactive Active Annuity Starting Date will have his benefit calculated under the terms, conditions, and circumstances applicable to his Annuity Starting Date as determined under 1.03 in lieu of benefit payments described in Subsection b. above. In the case of a Participant who retires after Normal Retirement Age, the benefit will be actuarially increased, based on the provisions in Section 9.08.
- d. The calculation of benefits whether under Subsection b. or c., above will not include periods during which the Participant was not retired or benefits were otherwise subject to suspension under Sections 9.11 and 9.12.
- e. Any election of the benefit under Subsection b. above in lieu of that in Subsection c., will be subject to the notice and consent requirements including but not limited to those of Code §401(a)(11) and §417 and any regulations issued, including requirements specific to the election of retroactive payments under Treas. Reg. §1.417(e)-1.
- f. For purposes of satisfying the 30 day waiver requirement under Section 1.03 and the consent requirements under Section 7.03.c., the Annuity Starting Date defined in Section 1.03 will be used instead of the Retroactive Annuity Starting Date.

Notwithstanding any other Plan provision contained, this Section will be interpreted with the intent of complying with the retroactive annuity starting date requirements of Treas. Reg. §1.417(e)-1(b)(3)(iv), 1.417(e)-1(b)(3)(v) and 1.417(e)-1(b)(3)(vi).

Section 1.32. “Rock, Sand and Gravel Industry” means the industry which is involved in the production of commercial aggregates or allied products.

Section 1.33. “Rock, Sand and Gravel Plan” means the Pension Plan of the Laborers Rock, Sand, and Gravel Pension Trust Fund which was merged into this Pension Plan on January 1, 1979.

Section 1.34. “Spouse” means a person to whom a Participant is legally married. The term also includes a former Spouse of a Participant to the extent required by a Qualified Domestic Relations Order or by any law of the United States.

Section 1.35. “Trust Agreement” means the Trust Agreement establishing the Laborers Pension Trust Fund for Northern California, including any amendment, extension or restatement.

Section 1.36. “Union” means the Northern California District Council of Laborers affiliated with the Laborers’ International Union of North America, AFL-CIO.

Section 1.37. The following terms are specifically defined in the following Sections:

Term	Section
a. Benefit Units	6.04
b. Break in Service:	
One-Year Break in Service	6.06
Permanent Break in Service	6.06
c. Credited Service, Years of:	
Credited Past Service	6.02
Credited Future Service	6.03
d. ERISA	2.01
e. Joint-and-Survivor Pension	7.01
f. Pension:	
Deferred Vested	3.16 and 3.17
Disability	3.06 and 3.07
Early Retirement	3.04 and 3.05
Reciprocal	4.08 and 4.09
Regular	3.02 and 3.03
Service	3.14 and 3.15
g. Retired or Retirement	9.11
h. Separation from Covered Employment	6.07

Article II. Participation

Section 2.01. Purpose

This Article contains definitions to meet certain requirements of the Employee Retirement Income Security Act of 1974 (referred to as ERISA). Once an Employee has become a Participant, he receives Credited Service and Benefit Units for employment before he became a Participant in accordance with the provisions of Article 6. A person who was a Participant on May 31, 1976 will be a Participant, unless his participation has been cancelled under the rules of this Plan.

Section 2.02. Participation

An Employee who works in Covered Employment will become a Participant in the Plan on August 1 or February 1 following a 12-consecutive month period during which he has worked at least 435 hours (500 hours after July 31, 2013) in Covered Employment. The initial 12-consecutive-month period begins on the date the Employee first works an hour in Covered Employment. The 435-hour (500 hours after July 31, 2013) requirement may also be completed with hours worked in Continuous Non-Covered Employment with a Contributing Employer.

Section 2.03. Termination of Participation

A Participant who incurs a One-Year Break in Service will cease to be a Participant on the last day of the Plan Credit Year which constituted the One-Year Break in Service, unless he is a Pensioner or Vested Participant.

A person who would have been a Participant in the Rock, Sand and Gravel Plan on January 1, 1979 will be a Participant in this Plan on that date.

Section 2.04. Reinstatement of Participation

An Employee who has lost his status as a Participant under Section 2.03 will become a Participant by meeting the requirements of Section 2.02 within a Plan Credit Year on the basis of hours worked in Covered Employment and Continuous Non-Covered Employment after the Plan Credit Year during which Participation terminated. An Employee who reinstates his Participation in accordance with this Section 2.04 prior to incurring a Permanent Break in Service (as defined in Section 6.06) will have his Participation reinstated retroactively to the date of his re-employment.

Section 2.05. Pensioners are Participants

A Pensioner receiving a pension from the Trust Fund is a Participant in the Plan.

Article III. Pension Eligibility and Amounts

Section 3.01. General

This Article presents the eligibility requirements and amounts payable for the pensions provided by the Plan. The accumulation and retention of Benefit Units and Credited Service for eligibility are subject to the provisions of Article 6. The pension amounts are subject to a reduction for the Joint-and-Survivor Pension as described in Article 7. Entitlement to pension benefits is subject to an eligible Participant's retirement and application for benefits, as provided in Article 9.

Eligibility, in most instances, depends upon Credited Service, which is defined in Sections 6.02 and 6.03, and takes into account creditable employment both before and after Contributions began. Pension amounts (and in some instances, eligibility) are based on accumulated Benefit Units as defined in Section 6.04 which also takes into account creditable employment both before and after Contributions began.

Pensions Effective Prior to June 1, 1976: Pensioners receiving pensions with an effective date prior to June 1, 1976, will continue to receive the pensions awarded to them without change, subject to the provisions of Sections 3.08, 3.09, 3.12, 3.13, 8.02, 9.01.b. and c., 9.02-9.18, 11.04 and 12.01 of this Plan.

Section 3.02. Regular Pension - Eligibility

A Participant who has retired is entitled to receive a Regular Pension if:

- a. he has attained age 65; **and**
- b. he is vested in accordance with Subsection 3.16.a.(1); **and**
- c. he has worked at least 500 hours in Covered Employment since August 1962.

In any event, a Participant is entitled to a Regular Pension once he attains Normal Retirement Age as defined in Section 1.21.

Section 3.03. Amount of Regular Pension

- a. A Regular Pension effective on or after July 1, 2005, will be a monthly amount determined as follows:

- (1) If there has been no Separation from Covered Employment, the monthly amount of the Regular Pension is the sum of:

- (a) \$95.00 for each Benefit Unit (or a proportionate amount for each fraction of a Benefit Unit) earned as a result of employment before August 1, 1986; **and**
- (b) 3.30% of Contributions made for Hours Worked in Covered Employment after July 31, 1986 and before August 1, 2003, excluding any Contributions made in a Plan Credit Year during which the Participant failed to earn .50 Benefit Unit; **and**
- (c) 2.30% of Contributions made for Hours Worked in Covered Employment after July 31, 2003 and before July 1, 2005, excluding any Contributions made in a Plan Credit Year during which the Participant failed to earn .50 Benefit Unit; **and**
- (d) 2.30% of the first \$2.16 per hour in Contributions made for Hours Worked in Covered Employment after June 30, 2005, excluding any Contributions made in a Plan Credit Year during which the Participant failed to earn .50 Benefit Unit.

If a Participant earns a Year of Credited Future Service in a Plan Credit Year after July 31, 1986, but works less than 500 hours in Covered Employment during that year, his Regular Pension will be increased in accordance with Subsection (b) or (c) based on 3.30% or 2.30% (whichever is applicable) of Contributions made for Hours Worked in Covered Employment by the Participant during that year.

- (2) If there has been a Separation from Covered Employment, the monthly amount of the Regular Pension is the sum of:
 - (a) an amount determined in accordance with Subsection a.(1) above accrued after the most recent Separation from Covered Employment; **and**
 - (b) the monthly amount payable for service prior to any Separation from Covered Employment is the amount which was payable by the Plan at the end of the separation period. However, in no event will the monthly amount payable for each Benefit Unit earned prior to August 1, 1986 be less than \$22.00.

For purposes of this Section 3.03.a., "Contributions" has the same meaning as the term Contributions as defined in Section 1.17 and shall consist of payments made or required to be made to the Fund by any Individual Employer under the terms of a Collective Bargaining Agreement.

b. *Exceptions:*

- (1) The monthly amount of a Regular Pension effective on or after August 1, 1986, to a Participant who is a former Participant in the Rock, Sand and Gravel Plan will be a monthly amount equal to the sum of:

- (a) an amount determined in accordance with Subsection a.(1) above accumulated after July 31, 1978; and
 - (b) the monthly amount of a Regular Pension accrued in accordance with the Rock, Sand and Gravel Plan as of July 31, 1978.
- (2) The monthly amount of a Regular Pension payable to a Participant who at one time performed work for which employer contributions were made or were required to be made to the Rock, Sand and Gravel Plan, but who was not a Participant in that Plan on December 31, 1978, will be calculated in accordance with Subsections a.(1) and (2) above, and that Participant will also receive \$22.50 for each Benefit Unit (plus any fraction of a Benefit Unit) earned under the Rock, Sand and Gravel Plan, except for any Benefit Units earned prior to a Permanent Break in Service.
- (3) Notwithstanding the provisions of Subsections b.(1) and (2) above, the monthly amount of a Regular Pension effective on or after January 1, 1993, payable to a Participant who is a former Participant in the Rock, Sand and Gravel Plan, or who at one time performed work for which employer contributions were made or were required to be made to the Rock, Sand and Gravel Plan but who was not a Participant in that Plan on December 31, 1978, will be calculated in accordance with Subsection a. above for benefits earned under this Plan and under the Rock, Sand and Gravel Plan provided that Participant has earned 5 Years of Credited Service under this Plan since December 31, 1978.

Section 3.04. Early Retirement Pension - Eligibility

A Participant who has retired is entitled to receive an Early Retirement Pension, if:

- a. he has become age 55, but not yet become age 65; **and**
- b. he has at least 10 Years of Credited Service (without a Permanent Break in Service) exclusive of any Credited Future Service earned as a result of work in Continuous Non-Covered Employment; **and**
- c. he has worked at least 500 hours in Covered Employment since August 1962.

Section 3.05. Amount of Early Retirement Pension

The Early Retirement Pension will be a monthly amount determined as follows:

- a. First, compute the amount of the Regular Pension to which the Participant would be entitled if he were 65 years of age at the time his Early Retirement Pension is to be effective.

- b. Second, to take account of the fact that the Participant is younger than age 65, reduce the first amount by $\frac{1}{4}$ of 1% for each month that the Participant is younger than age 65 on the Annuity Starting Date of his Early Retirement Pension.

Section 3.06. Disability Pension - Eligibility

A totally disabled Participant who has retired is entitled to receive a Disability Pension, if he meets the following requirements:

- a. he has not become age 65; **and**
- b. he has at least 10 Years of Credited Service (without a Permanent Break in Service) exclusive of any Credited Future Service earned as a result of work in Continuous Non-Covered Employment; **and**
- c. he has, as a result of actual work in Covered Employment (and not as a result of Credited Service granted under Section 6.05) earned at least 2 quarters of Credited Service (1) in the Plan Credit Year in which he became totally disabled, or (2) in the 2 consecutive Plan Credit Years prior to the Plan Credit Year in which he became totally disabled. However, a Participant who became totally disabled in the 1975-76 or the 1976-77 Plan Credit Year does not need to meet this requirement if he actually worked at least 250 hours in Covered Employment in at least one of the 2 Plan Credit Years prior to the Plan Credit Year in which he became totally disabled.

Section 3.07. Amount of Disability Pension

- a. The Disability Pension will be a monthly amount equal to the sum of (subject to the exceptions in Subsection b. below):
 - (1) \$50.00 for each Benefit Unit, plus any fraction, accumulated after the most recent Separation from Covered Employment (if any); **and**
 - (2) a monthly amount payable for each Benefit Unit accrued prior to any Separation from Covered Employment, as follows: The monthly amount payable for each Benefit Unit earned prior to any Separation from Covered Employment is the amount which was payable by the Plan at the end of the separation period (but not less than \$22.00).
- b. *Exception:*
 - (1) The monthly amount of a Disability Pension effective on and after January 1, 1979 and payable to a Participant who is a former Participant in the Rock, Sand and Gravel Plan will be a monthly amount equal to the sum of:

- (a) \$25.00 for each Benefit Unit, plus any fraction, accumulated after July 31, 1978; **and**
 - (b) \$22.50 for each Benefit Unit accrued in accordance with the provisions of Section 5.04 prior to August 1, 1978.
- (2) The monthly amount of a Disability Pension of a Participant who at one time performed work for which employer contributions were made or required to be made to the Rock, Sand and Gravel Plan, but who was not a Participant in that Plan on December 31, 1978, will be calculated in accordance with Subsection a. above, and a Participant will also receive \$22.50 for each Benefit Unit, plus any fraction, earned under the Rock, Sand and Gravel Plan except for any Benefit Units earned prior to a Permanent Break in Service.
- (3) Notwithstanding the provisions of Subsections a.(1) and (2) above, the monthly amount of a Disability Pension effective on or after January 1, 1993, payable to a Participant who is a former Participant in the Rock, Sand and Gravel Plan, or who at one time performed work for which employer contributions were made or were required to be made to the Rock, Sand and Gravel Plan but who was not a Participant in that Plan on December 31, 1978, will be calculated in accordance with Subsection a. above for benefits earned under this Plan and under the Rock, Sand and Gravel Plan provided that Participant has earned 5 Years of Credited Service under this Plan since December 31, 1978.
- c. Only the most recent 35 Benefit Units earned will be used to compute the maximum amount of the Disability Pension.
 - d. A Disability Pension effective on or after May 1, 1981, is not be subject to the maximum limitation stated in Subsection c. above.
 - e. Under no circumstances will the monthly amount of the Disability Pension be less than the amount payable as an Early Retirement Pension, as determined in Section 3.05, if that calculation were based upon a Participant's earliest possible retirement age as set forth in Section 3.04.

Section 3.08. Total Disability Defined

A Participant will be deemed totally disabled upon determination by the Social Security Administration, that he is entitled to a Social Security Disability Benefit, in accordance with his Old Age, Survivors and Disability Insurance coverage. The Board may, in its sole and absolute judgment, grant a Disability Pension in the absence of an award by the Social Security Administration, provided the Board finds that:

- a. on the basis of competent medical evidence as the Board may require to be shown, the Participant is totally unable, as a result of physical or mental impairment, to engage in or perform work as a laborer in the Building and Construction Industry; **and**

- b. the bodily injury or disease is not due to the Participant's commission of or attempt to commit a felony, or the engagement in any felonious activity or occupation, or self-infliction of any injury, or as the result of habitual drunkenness or the use of narcotics, unless administered according to the orders of a licensed physician; **and**
- c. the total disability is expected to result in death or to be of a continued and indefinite duration.

The Board may at any time, or from time to time, require evidence of continued entitlement to Social Security Disability Benefits, and may at any time, notwithstanding the prior granting of a Disability Pension under the Plan, require that a Participant satisfy the provisions of this Section as a prerequisite to the continuance of the Disability Pension granted under the Plan.

Section 3.09. Disability Pension Payments

- a. Payment of the Disability Pension will not begin until 6 full calendar months of total disability have passed, or until the requirement for advance application has been met, whichever is later. Payment of the Disability Pension will continue as long as the disabled Pensioner remains totally disabled, as defined by the Plan. Once a disabled Participant becomes age 65, his benefits will continue, regardless of whether he remains totally disabled, as long as he remains retired as defined in Section 9.11.
- b. Effective as of June 1, 1989, if the Annuity Starting Date for a Participant who is totally disabled is after the date payment would have begun in accordance with Subsection a. above, that Participant will be entitled to a one-time cash payment equal to the monthly amount of his Disability Pension, in the payment form elected, multiplied by the number of calendar months between the date determined in accordance with Subsection a. above and the Annuity Starting Date.

Section 3.10. Total Disablement of a Pensioner Receiving an Early Retirement Pension

If a Pensioner receiving an Early Retirement Pension was totally disabled on the date his Early Retirement Pension became effective and had, as a result of actual employment, earned at least 2 quarters of Credited Service in the 2 consecutive Plan Credit Years prior to the Plan Credit Year in which he became totally disabled, he will be entitled to a Disability Pension under the following conditions:

- a. If the beginning of the seventh month of total disability, as defined in Section 3.08, is coincident with or prior to the effective date of his Early Retirement Pension, his Disability Pension will be effective as of the effective date of his Early Retirement Pension, or with the seventh month of disability, if the filing requirement set forth in Section 9.01 is met.

- b. If the seventh month of total disability, as defined in Section 3.08, begins after the effective date of his Early Retirement Pension, then the higher amount of the Disability Pension will not become payable until the first day of the month following the month when the difference between the Early Retirement Pension amount and the Disability Pension amount equals the amount paid to him as an Early Retirement Pension prior to the beginning of the seventh month of total disability.

Section 3.11. Total Disablement of a Pensioner Receiving a Service Pension

If a Pensioner receiving a Service Pension becomes totally disabled, he may receive a Disability Pension instead of a Service Pension if he notifies the Trust Fund Office.

Section 3.12. Recovery by a Pensioner on a Disability Pension

If a Pensioner on a Disability Pension (a) loses entitlement to a Social Security Disability Benefit or its equivalent, or (b) otherwise recovers from his disability, that information must be reported in writing to the Board within 15 days of the date he (a) received notice from the Social Security Administration or its equivalent, of the termination of his Social Security Disability Benefit or its equivalent, or (b) otherwise recovered from his disability, subject to waiver by the Board of the 15 day notice, upon good cause shown by the Pensioner. If written notice is not provided, he will, upon his subsequent retirement, prior to Normal Retirement Age (unless the Board finds there are extenuating circumstances), be disqualified for benefits for a period of up to 12 months following the date of his retirement, in addition to the months which may have elapsed since he (a) received notice of the termination of the Social Security Disability Benefit or its equivalent, or (b) otherwise recovered from his disability, and in which he received Disability Pension payments from the Trust Fund, subject to the provisions of Section 9.12.

Section 3.13. Re-employment of a Pensioner on a Disability Pension

A Pensioner on a Disability Pension who is no longer totally disabled may re-enter Covered Employment and may resume the accrual of Credited Service and Benefit Units.

Section 3.14. Service Pension – Eligibility

- a. An Employee who became a Participant prior to August 1, 2013 and who has Retired is entitled to receive a Service Pension if he meets the following requirements:
 - (1) he has not yet become age 65; **and**
 - (2) he has at least 25 Benefit Units (without a Permanent Break in Service). No more than one Benefit Unit per Plan Credit Year will be counted for this purpose; **and**
 - (3) he has worked at least 500 hours in Covered Employment since August 1962.

- b. An Employee who became a Participant on or after August 1, 2013 and who has Retired is entitled to receive a Service Pension if he meets the following requirements:
 - (1) he has become age 55, but not yet become age 65; **and**
 - (2) he has at least 25 Benefit Units (without a Permanent Break in Service). No more than one Benefit Unit per Plan Credit Year will be counted for this purpose; **and**
 - (3) he has worked at least 500 hours in Covered Employment since August 1962.
- c. For purposes of determining whether a. or b. applies to a Participant, an Employee's Participant status prior to August 1, 2013 that is otherwise terminated under Section 2.03 shall not be disregarded unless the Participation is also cancelled due to a Permanent Break in Service.

Section 3.15. Amount of Service Pension

- a. The Service Pension will be a monthly amount determined in the same way as a Regular Pension is determined.
- b. If a Pensioner in receipt of a Service Pension returns to Covered Employment at a time when he is younger than age 65, his Service Pension will be increased by the monthly benefit payable under Subsection 3.03.a., at the time of his subsequent retirement for each Benefit Unit earned after his return to Covered Employment.

This method of redetermining the amount of a Service Pension will be applied to the 35 Benefit Units earned most recently.

- c. A Service Pension effective on or after May 1, 1981, is not subject to the maximum limitation stated in Subsection b. above.

Section 3.16. Deferred Vested Pension - Eligibility

- a. A Deferred Vested Pension is payable to a Vested Participant who has worked at least 500 hours in Covered Employment since August 1962 and has achieved vested status under the circumstances described below:
 - (1) After January 1, 1997, a Participant who has worked at least one hour of work in Covered Employment after January 1, 1997 will have achieved vested status if he has accumulated at least 5 Years of Credited Service without a Permanent Break in Service. However, a Participant who does not have at least one hour in Covered Employment

after January 1, 1997 may achieve vested status in accordance with Subsection a.(2) below.

- (2) Between June 1, 1976 and January 1, 1997, a Participant achieved vested status if he has accumulated at least 10 Years of Credited Service without a Permanent Break in Service. However, a Non-Bargained Employee who is a Participant and who has at least one hour of work in Covered Employment after May 1, 1989, will attain vested status after he has accumulated 5 Years of Credited Service.
- (3) Between February 1, 1973 and June 1, 1976, a Participant achieved vested status if he had accumulated at least 10 Benefit Units, without a Permanent Break in Service.
- (4) Between February 1, 1972 and February 1, 1973, a Participant achieved vested status if he met either of the following conditions:
 - (a) he had accumulated at least 15 Benefit Units; **or**
 - (b) he had met all of the requirements for any type of Pension provided by the Plan.
- (5) Between August 1, 1964 and February 1, 1972, a Participant achieved vested status if he had met either of the following conditions:
 - (a) he had attained age 50 and had accumulated at least 15 Benefit Units; **or**
 - (b) he had met all of the requirements for any type of Pension provided by the Plan.

A Deferred Vested Pension is also payable to a Participant who achieved vested status under the Rock, Sand and Gravel Plan prior to its merger into this Fund.

For the purposes of satisfying the eligibility requirements for a Deferred Vested Pension, credit for periods of Qualified Military Service will be recognized.

b. A Deferred Vested Pension is payable to a Vested Participant, upon retirement:

- (1) at age 65; **or**
- (2) between the ages of 55 and 65, if he has met the Credited Service requirements for an Early Retirement Pension as set forth in Subsection 3.04.b; **or**
- (3) at any age, if he has met all the requirements of Section 3.14.

- c. If, on the Annuity Starting Date, a Vested Participant has had a Separation from Covered Employment since he last worked in Covered Employment, he will be entitled to a Deferred Vested Pension. (Regular, Early or Service Pension)

Section 3.17. Amount of Deferred Vested Pension

The monthly amount of the Deferred Vested Pension payable to a Vested Participant who has had a Separation (see Article 6, Section 6.07) from Covered Employment will be determined in the same manner as a Regular, Early Retirement or Service Pension, whichever is appropriate to his attained age and accumulated Years of Credited Service or Benefit Units on the effective date of his pension.

Section 3.18. Non-duplication of Pensions

A person is entitled to payment of only one type of pension under this Plan at any one time.

Section 3.19. Adjustment to Pension

A Pensioner or Beneficiary receiving a Regular, Early, Disability, Service, or Reciprocal Pension (the larger portion of whose Combined Credited Service is Northern California Credited Service) will have his pension increased by a supplemental benefit of \$50.00 per month, subject to the conditions described below:

a. Effective September 1, 1987:

- (1) For Pensions effective prior to September 1, 1987, all Pensioners and other Beneficiaries on the rolls on September 1, 1987 will receive a supplemental benefit of \$25.00 per month, except that Beneficiaries who are entitled to receive benefits under Section 7.01 will receive a supplemental benefit of \$12.50 per month.
- (2) For Pensions effective on or after September 1, 1987:
 - (a) The supplemental benefit of \$25.00 is subject to the reduction for the Joint-and-Survivor Pension described in Article 7, or any other optional form of benefit payments elected by the Participant under Section 8.02.
 - (b) A Participant retiring under the Deferred Vested Benefit, who meets the eligibility requirement for hours worked as shown below, is eligible for the supplemental benefit of \$25.00.

**The Number of Hours Worked for Individual Employers in
the 48-Month Period Preceding the Annuity Starting Date is:**

1987	500
1988	1,000
1989	1,500
1990 and thereafter	2,000

(c) For Participants retiring on Early Retirement or Deferred Vested Early Retirement Pensions, the reduction factors for Early Retirement will not apply to the supplemental benefit of \$25.00.

b. Effective September 1, 1990:

(1) For Pensions effective prior to September 1, 1990, all Pensioners and other Beneficiaries on the rolls on September 1, 1990 will receive a supplemental benefit of \$25.00 per month, in addition to that described in Subsection a. above, except that Beneficiaries who are entitled to receive benefits under Section 7.01 will receive an additional supplemental benefit of \$12.50 per month.

(2) For Pensions effective on or after September 1, 1990:

(a) The additional supplemental benefit of \$25.00 is subject to the reduction for the Joint-and-Survivor Pension described in Article 7, or any other optional form of benefit payments elected by the Participant under Section 8.02.

(b) A Participant retiring under the Deferred Vested Benefit must have worked 2,000 hours for Individual Employers in the 48-month period preceding the Annuity Starting Date in order to be eligible for the supplemental benefit.

(c) For Participants retiring on Early Retirement or Deferred Vested Early Retirement Pensions, the reduction factors for Early Retirement will not apply to the supplemental benefit of \$25.00.

c. In addition to the supplemental benefits described in Subsections a. and b. above, effective December 1, 1993 through November 30, 2012 only, the pension will be increased temporarily by a supplemental benefit of \$150 per month for Pensioners under age 65 and \$75 per month for Pensioners age 65 and older as of December 1, 1993. The temporary supplemental benefit of \$150 per month will be reduced to \$75 per month on the first day of

the month following the month in which age 65 is attained. The temporary supplemental pension benefit is subject to the following conditions:

- (1) For Pensions effective prior to December 1, 1993, all Pensioners and Beneficiaries on the rolls on December 1, 1993 will receive a supplemental benefit as described above, except that:
 - (a) A Beneficiary who is entitled to receive a Joint-and-Survivor Pension will receive a supplemental benefit of \$75 if his or her former Spouse would have been under age 65, or \$37.50 if age 65 or older, as of December 1, 1993. Additionally, if the deceased Spouse would have attained age 65 after December 1, 1993, the supplemental benefit will be reduced to \$37.50 on the first day of the month following the month in which age 65 would have been attained.
 - (b) A Pensioner who retired on a Deferred Vested Pension must have met the eligibility requirement for hours worked as shown below as of the effective date of his pension:

For Retirement in:	The Number of Hours Worked for Individual Employers in the 48-Month Period Preceding the Annuity Starting Date is:
1987	500
1988	1,000
1989	1,500
1990 and thereafter	2,000

- (2) **For Pensions effective on or after December 1, 1993:**
 - (a) A Participant retiring on a Deferred Vested Pension must have worked 2,000 hours for Individual Employers in the 48-month period preceding the Annuity Starting Date in order to be eligible for the temporary supplemental benefit.
 - (b) For Participants retiring on Early Retirement or Deferred Vested Early Retirement Pensions, the reduction factors for Early Retirement will not apply to the supplemental benefit.

Article IV. Reciprocal Pensions

Section 4.01. Purpose

Reciprocal Pensions are provided under this Plan for Employees:

- a. who would otherwise be ineligible for a pension because their years of employment have been divided between employment creditable under this Plan and employment creditable under other pension plans, **or**
- b. whose pensions would otherwise be less than the full amount because of a division of employment.

Section 4.02. Related Plans

By resolution duly adopted, the Board of Trustees recognizes (a) one or more other pension plans which have executed a National Reciprocal Agreement to which this Plan is a party, or (b) may recognize any other pension plan as a Related Plan.

Section 4.03. Related Hours

The term **“Related Hours”** means hours of employment which are creditable under a Related Plan.

Section 4.04. Related Credit

The term **“Related Credit”** means Credited Service, or any portion, credited to an Employee under a Related Plan, excluding any Related Credit based on work of the type which, had it been performed under this Plan, would be Continuous Non-Covered Employment. No more than one year of Related Credit will be recognized for employment under a Related Plan during any consecutive 12-month period.

Section 4.05. Combined Credited Service

The term **“Combined Credited Service”** means the total of an Employee’s Related Credit plus Northern California Credited Service, excluding any Credited Service earned in Continuous Non-Covered Employment.

Section 4.06. Combined Benefit Units

The term “**Combined Benefit Units**” means the total of an Employee’s Related Credit plus Northern California Benefit Units.

Section 4.07. Non-Duplication

An Employee cannot receive double credit for the same period of employment. No more than one year of Combined Credited Service or one Combined Benefit Unit will be given for employment in any consecutive 12-month period.

An Employee may, in any 12 consecutive calendar months, work under this Plan and one or more Related Plans (Section 4.02) and accumulate fractions of years of Related Credit (Section 4.04) or Northern California Credited Service or fractions of Benefit Units, which together add up to more than one year of Combined Credited Service (Section 4.05) or one Combined Benefit Unit (4.06). In that event, if the benefit level is lower under this Plan than under another Related Plan or Plans, the Employee’s Northern California Credited Service and Benefit Units will be reduced so that the Employee will receive no more than one year of Combined Credited Service or one Combined Benefit Unit during those 12 consecutive calendar months.

Section 4.08. Eligibility for a Reciprocal Pension

- a. An Employee who has retired is entitled to a Reciprocal Pension if he meets the following requirements:
 - (1) he would be eligible for a pension under this Plan were his Combined Credited Service or Combined Benefit Units treated as Northern California Credited Service or Benefit Units (whichever is applicable); **and**
 - (2) he has (a) at least one year of Northern California Credited Service and one year of Related Credit under each of the Related Plans whose Related Credit is needed to qualify him for a Reciprocal Pension, or (b) worked after August 1, 1962 for at least 500 hours for which Contributions were made or were required by a written agreement to be made to this Pension Plan or to a Related Plan; **and**
 - (3) if he is applying for a Disability Pension under this Plan, he is deemed to be sufficiently disabled so as to meet the disability criterion for a Disability Pension in each of the Related Plans whose Related Credit is needed to qualify him for a Reciprocal Disability Pension; **and**
 - (4) if age is a requirement for the type of pension for which the Employee is applying, he meets the minimum age requirement for a pension under each of the Related Plans whose Related Credit is needed to qualify him for a Reciprocal Pension.

- b. Related Hours will be considered in determining whether an Employee has incurred a Break in Service as defined in Section 6.06, or a Separation from Covered Employment as defined in Section 6.07.

However, once Employer Contributions are no longer made to this or a Related Plan with respect to work performed by the Employee, the determination as to whether he has had a Permanent Break in Service under this Plan will be based solely on the Credited Service earned under this Plan and not upon the Employee's Combined Credited Service.

- c. Related Credits will be limited in determining an Employee's eligibility for monthly pension payments to a Pensioner (including a Disability Pensioner) and for vesting in a Deferred Vested Pension, or the eligibility of the surviving Spouse or children of an Employee for benefits under Article 7 or Section 8.01.

Section 4.09. Amount of the Reciprocal Pension

The monthly amount of a Reciprocal Pension is determined in the same way that the Regular, Early Retirement, Disability, Service or Deferred Vested Pension is determined, based on (a) the benefit level in effect at the time the Employee last earned Credited Service and (b) the Northern California Benefit Units which are included in the most recently acquired 35 Combined Benefit Units (but not less than the benefit accrued on September 30, 1978).

A Reciprocal Pension effective on or after May 1, 1981 is not subject to the maximum limitation stated in item (b) above.

Section 4.10. Payment

Payment of a Reciprocal Pension is subject to all of the conditions applicable to the other types of pensions under this Plan.

Section 4.11. Suspension of a Reciprocal Pension

A Reciprocal Pensioner's pension will be suspended in accordance with the provisions of Section 9.12. In addition, a Reciprocal Pensioner who has not attained Normal Retirement Age will have his monthly pension suspended by this Plan if his Reciprocal Pension is suspended by a Related Plan.

Article V. Credited Service, Benefit Units and Benefit Accrual for Former Participants in the Laborers Rock, Sand and Gravel Pension Trust Fund

Section 5.01. Purpose

The purpose of this Article is to set forth the basis on which Employees who earned Credited Service and Benefit Units and accrued benefits under the Rock, Sand and Gravel Plan prior to its merger into this Pension Fund will receive Credited Service, Benefit Units and benefit accrual as a result of (a) employment before January 1, 1979, the date of the merger of the Rock, Sand and Gravel Plan into this Pension Fund, and (b) during the transition from the Rock, Sand and Gravel Credited Service and Benefit Unit accrual computation periods (the 1978 calendar year) to this Pension Plan's Credited Service and Benefit Unit accrual computation periods (the 1978-79 Plan Credit Year).

This Article also sets forth the basis on which the monthly amounts of pensions payable to Rock, Sand and Gravel Plan pensioners, which were effective between August 1, 1978 and December 31, 1978, may be recomputed after January 1, 1979.

Section 5.02. Credited Service

A Participant who is a former Participant in the Rock, Sand and Gravel Plan receives Credited Service for periods of employment prior to January 1, 1979, in accordance with the provisions of the Rock, Sand and Gravel Plan.

A Participant who is a former Participant in the Rock, Sand and Gravel Plan receives Credited Service beginning August 1, 1978 in accordance with Article 6 of this Pension Plan for (a) hours of work in Covered Employment and Continuous Non-Covered Employment on and after that date, and (b) hours of work for an employer who made or was required to make Contributions to the Rock, Sand and Gravel Plan between August 1, 1978 and January 1, 1979 for which Credited Service was granted under the Rock, Sand and Gravel Plan.

Section 5.03. Breaks in Service

The period from January 1, 1979 to July 31, 1979 will be ignored in determining whether a former Participant in the Rock, Sand and Gravel Plan has had a One-Year Break in Service as defined in Subsection 6.06.b.

Credited Service earned under the Rock, Sand and Gravel Plan by a former Participant in that Plan, who had not incurred a Permanent Break in Service on January 1, 1979, will be taken into

account in determining whether he has incurred a Permanent Break in Service in accordance with Subsection 6.06.c.

Section 5.04. Benefit Units

- a. A Participant who is a former Participant in the Rock, Sand and Gravel Plan receives Benefit Units (but not more than 25) for periods of employment prior to August 1, 1978 in accordance with the Rock, Sand and Gravel Plan.

A Participant who is a former Participant in the Rock, Sand and Gravel Plan receives Benefit Units beginning August 1, 1978 for periods of employment on and after that date in accordance with Article 6 of this Pension Plan for Hours Worked in Covered Employment on or after that date, including hours of work for which Contributions were made or required to be made between August 1, 1978 and January 1, 1979 to the Rock, Sand and Gravel Plan.

- b. A Pensioner who retired after July 31, 1978 and whose pension from the Rock, Sand and Gravel Plan was effective before January 1, 1979, receives Benefit Units in accordance with the Rock, Sand and Gravel Plan for periods of employment prior to January 1, 1979, unless his benefit under Subsection 3.03.b. or 3.07.b. would be higher if his Benefit Units were determined under Subsection a. above.

Section 5.05. Benefit Accrual

- a. Pension amounts accrued by Participants who are former Participants in the Rock, Sand and Gravel Plan are determined in accordance with the provisions of the Rock, Sand and Gravel Plan with respect to Benefit Units earned under that Plan prior to August 1, 1978. A former Participant in the Rock, Sand and Gravel Plan whose pension is effective on or after January 1, 1993, and who has earned 5 Years of Credited Service under this Plan since December 31, 1978, will have his pension determined in accordance with Subsection 3.03.b.(3), Section 3.05 or Subsection 3.07.b.(3) of this Pension Plan, whichever is appropriate to his circumstances.
- b. A Pensioner who retired after July 31, 1978 and whose pension from the Rock, Sand and Gravel Plan was effective before January 1, 1979 receives a pension in an amount determined under the Rock, Sand and Gravel Plan. If his monthly pension amount would be greater were his pension determined in the manner described in Subsection 3.03.b, Section 3.05. or Subsection 3.07.b. of this Pension Plan, whichever is appropriate to his circumstances, his pension will be increased to the higher amount effective January 1, 1979.
- c. Pension amounts payable for Benefit Units earned after July 31, 1978 by a former Participant in the Rock, Sand and Gravel Plan are determined in accordance with Article 3 of this Plan. In no event, will the pension amount payable to a former Participant in the Rock, Sand and Gravel Plan as a result of employment before January 1, 1979 be less than the monthly

pension accrued by a Participant as of December 31, 1978 in accordance with the provisions of the Rock, Sand and Gravel Plan.

Article VI. Accumulation of Benefit Units and Years of Credited Service

Section 6.01. General

The purpose of this Article is to explain how Participants accumulate Benefit Units and Years of Credited Service and how accumulated Benefit Units and Years of Credited Service may be cancelled.

Section 6.02. Years of Credited Service for Periods Prior to August 1, 1962

a. For the period August 1, 1937 to August 1, 1962, a Participant is entitled to Credited Past Service to the extent provided in this Section for each Plan Credit Year, or portion of a Plan Credit Year, he was employed:

- (1) by a Contributing Employer (or any predecessor) or in a Bargaining Unit (or predecessor), which was included for coverage under the Plan prior to June 30, 1967, **or**
- (2) in the Building and Construction Industry in the 46 Northern California Counties, in one or more classifications included in the Collective Bargaining Agreement, **or**
- (3) by an affiliated local union, or the Union, in a position included in the Plan under regulations adopted by the Board.

A Participant will also be granted Credited Past Service for each Plan Credit Year, or portion of a Plan Credit Year, for military service during a period in the Armed Forces of the United States, in time of war or national emergency or under a National Conscription Law for the period during which he retained re-employment rights under federal law; provided: (i) the Participant was employed in the 46 Northern California Counties immediately prior to his entry into the Armed Forces on work of the type for which Credited Past Service is granted in Subsection a. above; (ii) he made himself available for employment in the 46 Northern California Counties on work of the type for which Credited Past Service is granted in Subsection a. above within 90 days after his release from active duty or 90 days after recovery from a disability continuing after his release from active duty; and (iii) that the Participant furnish in writing information and proof concerning his availability as the Board may, in its sole discretion, determine. Portions of Credited Past Service will be granted for periods of military service of less than one year.

A Participant is entitled to Credited Past Service for each Plan Credit Year in which he was employed in accordance with the following schedule:

Hours Worked in Plan Credit Year	Credited Past Service
Less than 250 hours	None
250 to 499 hours	.25
500 to 749 hours	.50
750 to 999 hours	.75
1,000 hours or more	1.00

- b. Application for entitlement to Credited Past Service must be made on a form approved by the Board and signed by the Participant, which specifies the periods during which the Participant was employed in work entitling him to Credited Past Service and must be confirmed by evidence satisfactory to the Board substantiating the employment claimed by the Participant.

The application must specify all periods for which credit is claimed and, insofar as possible, all hours worked for which credit is claimed during each period. Failure to comply with this requirement without good cause, as determined by the Board, will constitute a waiver of any claim of credit for any periods or hours not specified in the application.

For the period beginning February 1, 1953 the Board may accept as prima facie evidence of employment entitling a Participant to Credited Past Service, a statement from the Trust Fund Manager of the Laborers Health and Welfare Trust Fund for Northern California certifying to the receipt by that Fund of employer's reports of contributions with respect to hours of work by the Participant and stating the number of hours reported for the period covered by the statement. For any months prior to February 1, 1953, the Board will accept as prima facie evidence of employment, any or all of the following:

- (1) A written statement from any employer certifying that the Participant performed work for that employer entitling him to Credited Past Service.
- (2) A written statement from the secretary or other authorized officer of an affiliated local union or the membership record from the Laborers' International Union of North America showing that the Participant was a member in good standing in the local union, or was employed by the affiliated local union or the Union in a position included in the Plan under regulations adopted by the Board.
- (3) A W-2 form or check stub furnished for work performed during the month for any employer known or reputed to have been operating in the Building and Construction

Industry in the 46 Northern California Counties during the month or for work for which Credited Past Service is granted.

- (4) A written statement from the Social Security Administration to the effect that according to its records the Participant was employed by a named employer, known or reputed to be operating in the Building and Construction Industry in the 46 Northern California Counties or in work for which Credited Past Service is granted.

Section 6.03. Years of Credited Service After August 1, 1962

- a. From August 1, 1962 to August 1, 1975, a Participant will receive Credited Future Service for hours worked in Covered Employment during a Plan Credit Year, according to the following schedule:

Hours Worked in Plan Credit Year	Credited Future Service
Less than 250 hours	None
250 to 499 hours	.25
500 to 749 hours	.50
750 to 869 hours	.75
870 hours or more	1.00

- b. From August 1, 1975 to August 1, 2013, a Participant will receive Credited Future Service for hours worked in Covered Employment during a Plan Credit Year, according to the following schedule:

Hours Worked in Plan Credit Year	Credited Future Service
Less than 435 hours	None
435 to 652 hours	.50
653 to 869 hours	.75
870 hours or more	1.00

- c. A Participant will receive Credited Future Service for hours worked in Covered Employment during a Plan Credit Year on and after August 1, 2013, according to the following schedule:

Hours Worked in Plan Credit Year	Credited Future Service
Less than 500 hours	None
500 to 652 hours	.50
653 to 869 hours	.75
870 hours or more	1.00

- d. If a Participant works for a Contributing Employer in Continuous Non-Covered Employment, his hours worked in Continuous Non-Covered Employment after May 31, 1976 (or after the Contribution Date, if later) will be counted toward a Year of Credited Service. If the Participant does not work sufficient hours for Contributing Employer(s) to earn a full year of Credited Service in a Plan Credit Year, he will not be entitled to any portion of a Year of Credited Service for hours of work in Continuous Non-Covered Employment.

Exception: A Participant is not be entitled to Credited Service for the following periods:

- (1) years preceding a Permanent Break in Service as defined in Subsection 6.06.a. for periods prior to August 1, 1975.
- (2) years preceding a Permanent Break in Service as defined in Subsections 6.06.c. and d., (except as may be required by any ERISA regulations.)

Section 6.04. Benefit Units.

- a. **Benefit Units Earned before August 1, 1962**

A Participant will receive one Benefit Unit (or portion of a Benefit Unit) for every Year of Credited Service (or portion of a Year of Credited Service) to which he is entitled under Section 6.02.

b. Benefit Units Earned Between August 1, 1962 and August 1, 1975

A Participant will receive Benefit Units for hours worked in Covered Employment during a Plan Credit Year between August 1, 1962 and August 1, 1975, according to the following schedule:

Hours Worked in Plan Credit Year	Benefit Units
Less than 250 hours	None
250 to 499 hours	.25
500 to 749 hours	.50
750 to 999 hours	.75
1,000 hours or more	1.00

c. Benefit Units Earned Between August 1, 1975 and August 1, 1980, and for Periods Beginning August 1, 1986

A Participant will receive Benefit Units for hours worked in Covered Employment during the Plan Credit Years between August 1, 1975 and August 1, 1980 and for Plan Credit Years beginning August 1, 1986, according to the following schedule:

Hours Worked in Plan Credit Year	Benefit Units
Less than 500 hours	None
500 to 599 hours	.50
600 to 699 hours	.60
700 to 799 hours	.70
800 to 899 hours	.80
900 to 999 hours	.90
1,000 hours or more	1.00

d. **Benefit Units Earned Between August 1, 1980 and August 1, 1986**

A Participant will receive Benefit Units for hours worked in Covered Employment during the Plan Credit Years between August 1, 1980 and August 1, 1986, according to the following schedule:

Hours Worked in Plan Credit Year	Benefit Units
Less than 500 hours	None
500 to 599 hours	.50
600 to 699 hours	.60
700 to 799 hours	.70
800 to 899 hours	.80
900 to 999 hours	.90
1,000 to 1,749 hours	1.00
1,750 hours or more	1.50

- e. If a Participant earns a Year of Credited Service in a Plan Credit Year after July 31, 1975, but works less than 500 hours in Covered Employment, he will be credited with a portion of a full Benefit Unit, in the ratio which his Worked Hours in Covered Employment bear to 2,000 hours.

Exception: A Participant is not entitled to Benefit Units for the following periods:

- (1) for the period preceding a Permanent Break in Service as defined in Subsection 6.06.a. for periods prior to August 1, 1975.
- (2) for periods preceding a Permanent Break in Service as defined in Subsections 6.06.c. and d.

Section 6.05. Credited Service, Benefit Units and Accrued Benefits for Non-Working Periods On or After August 1, 1962

a. **Disability**

Periods of absence from Covered Employment will be credited toward the accumulation of Credited Service, Benefit Units and accrued benefits if these periods of absence are due to the following circumstances:

- (1) Disability for the period for which California UCD benefits were paid, or which constituted a valid waiting period for those benefits.

- (2) Disability for the period for which Workers' Compensation Temporary disability benefits were paid, or which constituted a valid waiting period for those benefits.

In order to secure credit for the periods of disability provided in this Subsection, a Participant must furnish, in writing, information and proof concerning his disability as the Board may, in its sole discretion, determine.

b. Military

Prior to December 12, 1994, periods of absence from Covered Employment due to service in any of the Armed Forces of the United States will be credited toward the accumulation of Credited Service, Benefit Units and accrued benefits at a rate determined by calculating the Participant's average number of hours worked per week during the 5 year period (or less) immediately prior to entering the Armed Forces, for the period that the Participant retains re-employment rights under federal law provided: (i) he makes himself available for Covered Employment in the 46 Northern California Counties within 90 days after his release from active duty, or within 90 days after recovery from a disability continuing after his release from active duty, and (ii) he was employed in Covered Employment in the 46 Northern California Counties immediately prior to his service in the Armed Forces.

On and after December 12, 1994, periods of absence from Covered Employment due to Qualified Military Service will be credited toward the accumulation of Credited Service, Benefit Units and accrued benefits for periods of Qualified Military Service provided: (i) the Participant makes himself available for Covered Employment within the period during which he retains reemployment rights under USERRA, (ii) he was employed in Covered Employment immediately prior to his Qualified Military Service, and (iii) he had not incurred a One-Year Break in Service at the time he entered Qualified Military Service.

Credited Service, Benefit Units, and benefit accruals will be credited for Qualified Military Service based on the average number of hours worked in a week by the Participant during the twelve-month period immediately preceding his Military Service (or, if shorter, the period of employment immediately preceding the period of Qualified Military Service), but not less than the Participant's average number of hours worked per week during the 5-year period (or less) immediately prior to entering Military Service. Contributions for Qualified Military Service will be credited as described in Section 1.17.

If a Participant dies on or after January 1, 2007 while performing Qualified Military Service (as defined in Code section 414(u)), the survivors of the Participant shall be entitled to any additional benefits (other than benefit accruals relating to the period of Qualified Military Service) provided under the Plan had the Participant resumed employment with an Individual Employer and then terminated employment on account of death. In addition, the period of such Participant's Qualified Military Service shall be treated as vesting service under the Plan.

Section 6.06. Breaks in Service

If a person has a Break in Service before he has become a Vested Participant, it has the effect of cancelling his participation, his previous Years of Credited Service and his Benefit Units. However, a Break in Service may be temporary, subject to repair by sufficient amount of subsequent Credited Service. A longer Break in Service may be permanent. The Break in Service rule does not apply to a Pensioner or a Vested Participant.

a. Permanent Breaks in Service before August 1, 1975

Between the Contribution Date and July 31, 1975, a person incurred a Permanent Break in Service and his Credited Service and accrued benefits were cancelled if he failed to earn at least one quarter of Credited Future Service in any period of 2 consecutive Plan Credit Years.

Hours of work prior to August 1, 1975 for which employer contributions were made or were required to be made to the Rock, Sand and Gravel Plan will be considered in determining whether a Participant had a Permanent Break in Service before August 1, 1975.

Grace periods before August 1, 1975. A Participant who was absent from Covered Employment before August 1, 1975 will be allowed grace periods under the following circumstances:

- (1) A Participant will be allowed a grace period of up to 3 years for periods when he was totally disabled for work as a laborer.
- (2) A Participant will be allowed a grace period for the duration of his employment in a supervisory capacity by a Contributing Employer or by a joint venture in which a Contributing Employer participated.
- (3) A Participant will be allowed a grace period for the duration of his employment as an officer or full-time employee with a labor organization which is not a Contributing Employer.

A grace period does not add to a Participant's Credited Service. It is a period which is disregarded in determining whether the Participant has worked sufficient hours in Covered Employment to prevent a Permanent Break in Service. In order to secure the benefits of a grace period, a Participant must give written notice to the Board and must present written evidence as the Board, in its sole discretion, requires.

b. One-Year Break in Service after July 31, 1975

- (1) A person has a One-Year Break in Service in any Plan Credit Year after July 31, 1975 in which he fails to work at least 435 hours in Covered Employment (500 hours in Covered

Employment in any Plan Credit Year after July 31, 2013). Hours of work in Continuous Non-Covered Employment after May 31, 1976 will be counted in determining whether a Break in Service has been incurred.

Hours of work prior to January 1, 1979 for which Employer Contributions were made or were required to be made to the Rock, Sand and Gravel Plan will be considered in determining whether a Participant had a Permanent Break in Service.

- (2) A One-Year Break in Service is repairable, in the sense that its effects are eliminated if, before incurring a Permanent Break in Service, the Employee subsequently earns 2 quarters of Credited Service. More specifically, previously earned Years of Credited Service and Benefit Units are restored. Nothing in this Subsection will change the effect of a Permanent Break in Service.

c. Permanent Break in Service after July 31, 1975 and before August 1, 1985

A person will have a Permanent Break in Service if he had 2 consecutive One-Year Breaks in Service, including at least one after July 31, 1975, that equal or exceed the number of full Years of Credited Service which he had previously accumulated.

Exception: For retirements effective on or after March 1, 2005, whether a person incurs a Permanent Break in Service under this Subsection 6.06.c. will take into account the total number of Years of Credited Service (including partial years) previously accumulated.

d. A Permanent Break in Service after July 31, 1985

A person will have a Permanent Break in Service if he has consecutive One-Year Breaks in Service, including at least one after July 31, 1985, that equal the greater of 5 or the aggregate number of full Years of Credited Service which were previously accumulated.

The revisions to the Break in Service rules specified in this Subsection apply only to those breaks which occur on or after August 1, 1985.

The foregoing rule will only apply to a Non-Bargained Employee who has at least one hour of Service after May 31, 1989, if the Break in Service occurs before he has earned 5 Years of Credited Service.

Exception: For retirements effective on or after March 1, 2005, whether a person incurs a Permanent Break in Service under this Subsection 6.06.d. will take into account the total number of Years of Credited Service (including partial years) previously accumulated.

e. **Grace Periods after July 31, 1985**

A Participant who is absent from Covered Employment after July 31, 1985, because of Maternity or Paternity Leave will not incur a One-Year Break in Service for the period of that leave.

Maternity/Paternity Leave Defined. A Participant is deemed to be on Maternity or Paternity Leave if the Participant is absent from work because of the pregnancy of the Participant, the birth of a child of the Participant, the placement of a child with the Participant in connection with the adoption of a child by the Participant, or for the purpose of caring for the child during the period immediately following the birth or placement.

A grace period does not add to a Participant's Credited Service. It is a period which is to be disregarded in determining whether the Participant has worked sufficient hours in Covered Employment to prevent a Permanent Break in Service. In order to secure the benefits of a grace period, a Participant must give written notice to the Board of the circumstances entitling the Participant to the grace period, within 60 days after the occurrence of the circumstance, and must present any written evidence as the Board may require.

f. **Effect of a Permanent Break in Service**

If a person who has not achieved status as a Vested Participant has a Permanent Break in Service:

(1) his previous Years of Credited Service and Benefit Units are cancelled; **and**

(2) his participation is cancelled. New participation is subject to the provisions of Section 2.04.

Section 6.07. Separation from Covered Employment

- a. A Participant will be deemed to be Separated from Covered Employment after August 1, 1975 at the end of any 2 consecutive Plan Credit Year periods in which he does not work at least 435 hours in Covered Employment (500 hours for Plan Credit Years on or after August 1, 2013) in at least one of those Plan Credit Years.
- b. A Participant will be deemed to have Separated from Covered Employment before August 1, 1975 if he failed to earn one quarter of Credited Future Service in any period of 2 consecutive Plan Credit Years.
- c. Hours of work prior to January 1, 1979 for which contributions were made or were required to be made to the Rock, Sand and Gravel Plan will be considered in determining whether a Participant had a Separation from Covered Employment.

d. *Exception.* A Participant whose Annuity Starting Date is on or after September 1, 2000 will be allowed a grace period if his failure to work at least 435 hours in Covered Employment in a Plan Credit Year after August 1, 1975 (500 hours in Covered Employment in a Plan Credit Year after July 31, 2013) is due to disability. The application for a grace period is subject to the following conditions:

(1) The Participant must have:

(a) attained vested status prior to the Plan Credit Year for which the grace period first applies; **and**

(b) worked at least 435 hours (500 hours for Plan Credit Years after July 31, 2013) in Covered Employment in the Plan Credit Year preceding the Plan Credit Year for which the grace period first applies.

(2) A grace period will not be applied to more than 5 Plan Credit Years for the same disability.

(3) A Participant will be considered "disabled" if he is receiving either Workers' Compensation Benefits or Social Security Disability Benefits. However, a Participant will no longer be considered disabled once he engages in any employment for wages or profit whether within or outside of the Building and Construction Industry or Rock, Sand and Gravel Industry.

A grace period does not add to a Participant's Credited Service and benefit accrual; it is a period which is to be disregarded in determining whether a Participant has worked sufficient hours in Covered Employment to prevent a Separation from Covered Employment. In order to secure the benefits of a grace period, a Participant must give written notice to the Board and must present written evidence as the Board, in its sole discretion, requires.

e. Periods of absence from Covered Employment due to Qualified Military Service will not be counted in determining whether a Participant has incurred a Separation from Covered Employment.

Article VII. Joint-and-Survivor Pension

Section 7.01. General

Upon retirement, the Joint-and-Survivor Pension provides a lifetime pension for a married Pensioner who meets the eligibility requirements for any type of Pension under the provisions of Article 3 or 4, plus a lifetime pension for his surviving Spouse, starting after the death of the Pensioner. In the event of death before retirement, the Joint-and-Survivor Pension provides a lifetime pension to the surviving Spouse of a married Participant who is vested in accordance with Section 3.16.

- a. The monthly amount to be paid to the surviving Spouse is 50%, 75% or 100% of the monthly amount which was payable or would have been payable to the deceased Pensioner depending on whether the Pensioner elected payment under the 50%, 75% or 100% Joint-and-Survivor Pension at retirement.
- b. The monthly amount to be paid to the surviving Spouse of a Participant who dies prior to retirement and satisfies the requirements of Section 7.04 will be 50% of the monthly amount which would otherwise have been payable to the deceased Participant under the 50% Joint-and-Survivor Pension.
- c. When a Joint-and-Survivor Pension is in effect, the monthly amount of the Participant's Pension is reduced in accordance with the provisions of Section 7.05 from the full amount otherwise payable.
- d. For pensions effective on or after October 1, 1998, the monthly benefit payable as a Joint-and-Survivor Pension will revert prospectively to the unreduced monthly amount of the Pensioner's regular monthly benefit in the event the Spouse predeceases the Pensioner, as if the Joint-and-Survivor Pension had not been elected. The full monthly benefit is then payable for the lifetime of the Pensioner.

Section 7.02. Annuity Starting Date

The provisions of this Article do not apply:

- a. to a Pensioner, whose Annuity Starting Date was before January 1, 1985, **or**
- b. to a Vested Participant who has not earned Hours Worked after August 22, 1984.

Section 7.03. Upon Retirement

All pensions payable to a married Participant will be paid in the form of a 50% Joint-and-Survivor Pension, unless the Participant has filed with the Board, in writing, a timely election to waive that form of pension, subject to all of the conditions of this Section.

- a. No election will be effective unless the Spouse of the Participant has consented in writing to the election; the election designates a Beneficiary (or form of benefits) which may not be changed without spousal consent (or the consent of the Spouse expressly permits designations by the Participant without any requirement of further consent by the Spouse); and acknowledges the effect of the election, and consent is witnessed by an authorized Fund representative, or a Notary Public. No consent is required if it has been established to the satisfaction of a Fund representative that the consent may not be obtained because there is no Spouse or because the Spouse cannot be located or because of other circumstances the Secretary of the Treasury may, by regulation prescribe. Any consent by a Spouse (or establishment that the consent of a Spouse may not be obtained) is effective only with respect to that Spouse. A Participant may elect to waive the Joint-and-Survivor Pension with the consent of his Spouse, and a Participant may revoke this election at any time. A Participant and his Spouse are entitled to exercise the right provided in this Section during a period of up to 90 days after they have received a written explanation of the terms and conditions of the Joint-and-Survivor Pension, their rights under this Section and the effect of the exercise of those rights.
- b. The Board will provide to each Participant, no less than 30 days nor more than 180 days before the Annuity Starting Date a written explanation of, (i) the terms and conditions of the Joint-and-Survivor Pension (ii) rights of the Participant's spouse, regarding his/her consent to such an election, (iii) the right to make, and the effect of, a revocation of such an election, (iv) the financial relative values of the various optional forms of benefit under the Plan, (v) and the right to defer any distribution and the consequences of failing to defer distribution of benefits including a description of how much larger benefits will be if the commencement of distributions is deferred. A Participant (with any applicable spousal consent) may waive the requirement that the written explanation be provided at least 30 days before the Annuity Starting Date if the Participant's pension commences more than 7 days after the written explanation is provided.
- c. A Participant and his legal Spouse may elect to waive the Joint-and-Survivor Pension (or revoke a previous election) at any time not more than 90 days before the Annuity Starting Date; that is, before the first day of the first month for which a pension is payable. However, the election period ends 30 days after the date the written explanation is provided, if the written explanation is provided after the Annuity Starting Date.

Section 7.04. Death of an Eligible Participant Before Retirement - Surviving Spouse Pension

- a. If a Participant dies after achieving vested status, and has one or more Hours Worked after August 22, 1984, the surviving Spouse will be entitled to a surviving Spouse Pension.

If the Participant's death occurred after attainment of his earliest retirement age or if the Participant was qualified for a Service Pension or was qualified for and had filed an application for a Disability Pension in accordance with Section 9.01 of the Plan, the Spouse will be paid a surviving Spouse Pension as if the Participant had retired on a 50% Joint-and-Survivor Pension on the day before his death. If the Participant's death occurred before attainment of his earliest retirement age and the Participant was not qualified for a Service or Disability Pension, the Spouse will be paid a surviving Spouse Pension beginning with the month coincident with or following the date on which the Participant would have reached his earliest retirement age had he lived, and the amount of the Pension will be determined as if the Participant had left Covered Employment on the date of death (or the date he last worked in Covered Employment if earlier), retired on a 50% Joint-and-Survivor Pension upon reaching his earliest retirement age, and died on the last day of the month in which he reached his earliest retirement age. For purposes of this Subsection, "earliest retirement age" means age 55 if the Participant had at least 10 Years of Credited Service without a Permanent Break in Service; otherwise "earliest retirement age" means age 65.

This Section also applies to an inactive Participant who has achieved vested status, had one or more Hours of Service on or after September 2, 1974 and dies after August 22, 1984.

- b. Notwithstanding any other provision of this Article, a surviving Spouse Pension will not be paid in the form, manner or amount described above if one of the following alternatives applies:
 - (1) If the Actuarial Present Value of the Benefit is \$5,000 or less, the Board will make a single sum payment to the Spouse in an amount equal to the Actuarial Present Value of the pension, in full discharge of the surviving Spouse Pension.
 - (2) Subject to Subsection b.(3) below, the Spouse may elect, in writing, filed with the Board, and on whatever form it may prescribe, to defer commencement of the surviving Spouse Pension until anytime after the death of the Participant. Payments will begin as of the surviving Spouse's Annuity Starting Date. The amount payable at that time will be determined as described in the Subsection above, except that the benefit will be paid in accordance with the terms of the Plan in effect when the Participant last worked in Covered Employment, as if the Participant had retired with a 50% Joint-and-Survivor Pension on the day before the surviving Spouse's payments are scheduled to start, and died the next day.

- (3) Payment of the surviving Spouse Pension must start by no later than December 1 of the calendar year in which the Participant would have reached age 70 ½ or, if later, December 1 of the calendar year following the year of the Participant's death. If the Board confirms the identity and whereabouts of a surviving Spouse who has not applied for benefits by that time, payments to that surviving Spouse in the form of a single life annuity (subject to the provisions of Subsection 7.04.b.(1)) will begin automatically as of that date.
- c. Notwithstanding any other provisions of the Plan, if the Annuity Starting Date for the surviving Spouse Pension is after the Participant's earliest retirement date, the benefit will be determined as if the Participant had died on the surviving Spouse's Annuity Starting Date after retiring with a Joint-and-Survivor Pension the day before, taking into account any actuarial adjustments to the Participant's accrued benefit that would have applied as of that date.
- d. If a surviving Spouse dies before the Annuity Starting Date of the surviving Spouse Pension, the benefit will be forfeited and there will be no payments to any other party.

Section 7.05. Adjustment of Pension Amount

- a. For a Participant who is eligible for a Regular, Early or Service Pension, the Joint-and-Survivor Pension will be 88% of the amount determined in Section 3.03, 3.05, or 3.15, whichever is appropriate, if the Participant and Spouse are the same age. The factor will be increased by 0.4 percentage point for each year the Spouse is older than the Participant, subject to a maximum factor of 99%; or decreased by 0.4 percentage point for each year the Spouse is younger than the Participant.

For a Participant who is eligible for a Service Pension, the factor determined in the paragraph above will be increased by 5.0 percentage points if the Participant is age 45. The factor will be reduced by 0.5 percentage point for each year the Participant is older than age 45, but younger than age 55; or increased by 0.5 percentage point for each year the Participant is younger than age 45. This increase, when determined and added to the adjustment factor above, cannot exceed 99%.

- b. For a Participant who is eligible for a Disability Pension, the Joint-and-Survivor Pension will be 77.5% of the amount determined from Section 3.07, if the Participant and Spouse are the same age. The factor will be increased by 0.4 percentage point for each year the Spouse is older than the Participant, subject to a maximum factor of 99%; or decreased by 0.4 percentage point for each year that the Spouse is younger than the Participant.

The factor determined in the paragraph above will be increased by 2.5 percentage points if the Participant is age 45. The factor will be reduced by 0.25 percentage point for each year the Participant is older than age 45, but younger than age 55; or increased by 0.75 percentage

point for each year younger than age 45. This increase when added to the adjustment factor above cannot exceed 99%.

Section 7.06. Optional 75% and 100% Joint-and-Survivor Pension

In lieu of any other form of pension otherwise payable to him, a married Participant entitled to a Regular, Early Retirement, Service or Disability Pension with an Annuity Starting Date on or after March 1, 2001 may elect to receive the payment of his pension on the basis of either a 75% or 100% Joint-and-Survivor Pension. Under either the 75% or 100% Joint-and-Survivor Pension, he will receive a lower monthly amount with the provision that 75% or 100%, as the case may be, of that lower amount is continued after his death for the lifetime of his Spouse. The amount payable to the Participant who has elected one of these optional payment forms will be determined as follows:

a. 75% Joint-and-Survivor Pension

- (1) For a Participant who is eligible for a Regular, Early Retirement or Service Pension, the 75% Joint-and-Survivor Pension will be 83.5% of the amount determined in Section 3.03, 3.05, or 3.15, whichever is appropriate, if the Participant and Spouse are the same age. The factor will be increased by 0.5 percentage point for each full year the Spouse is older than the Participant, subject to a maximum factor of 99%, or decreased by 0.5 percentage point for each full year the Spouse is younger than the Participant.

For a Participant who is eligible for a Service Pension, the factor determined in the paragraph above will be increased by 5.0 percentage points if the Participant is age 45. The factor will be reduced by 0.5 percentage point for each year the Participant is older than age 45; or increased by 0.5 percentage point for each year he is younger than age 45. This increase, when added to the adjustment factor above, cannot exceed 99%.

- (2) For a Participant who is eligible for a Disability Pension, the 75% Joint-and-Survivor Pension will be 70.5% of the amount determined from Section 3.07, if the Participant and Spouse are the same age. The factor will be increased by 0.5 percentage point for each full year the Spouse is older than the Participant, subject to a maximum factor of 99%, or decreased by 0.5 percentage point for each full year the Spouse is younger than the Participant.

The factor determined in the paragraph above will be increased by 2.5 percentage points if the Participant is age 45. The factor will be reduced by .25 percentage point for each year the Participant is older than age 45; or increased by .75 percentage point for each year he is younger than age 45. This increase, when added to the adjustment factor above, cannot exceed 99%.

b. 100% Joint-and-Survivor Pension

- (1) For a Participant who is eligible for a Regular, Early Retirement or Service Pension, the 100% Joint-and-Survivor Pension will be 79% of the amount determined from Section 3.03, 3.05, or 3.15, whichever is appropriate, if the Participant and Spouse are the same age. The factor will be increased by 0.6 percentage point for each full year the Spouse is older than the Participant, subject to a maximum factor of 99%, or decreased by 0.6 percentage point for each full year the Spouse is younger than the Participant.

For a Participant who is eligible for a Service Pension, the factor determined in the paragraph above will be increased by 5.0 percentage points if the Participant is age 45. The factor will be reduced by 0.5 percentage point for each year the Participant is older than age 45; or increased by 0.5 percentage point for each year he is younger than age 45. This increase, when added to the adjustment factor above, cannot exceed 99%.

- (2) For a Participant who is eligible for a Disability Pension, the 100% Joint-and-Survivor Pension will be 68% of the amount determined from Section 3.07, if the Participant and Spouse are the same age. The factor will be increased by 0.6 percentage point for each full year the Spouse is older than the Participant, subject to a maximum factor of 99%, or decreased by 0.6 percentage point for each full year the Spouse is younger than the Participant.

The factor determined in the paragraph above will be increased by 2.5 percentage points if the Participant is age 45. The factor will be reduced by .25 percentage point for each year the Participant is older than age 45; or increased by .75 percentage point for each year he is younger than age 45, this increase, when added to the adjustment factor above, cannot exceed 99%.

Section 7.07. Additional Conditions

A Joint-and-Survivor Pension is not effective under any of the following circumstances:

- a. A Joint-and-Survivor Pension is not effective unless the surviving Spouse was married to the Participant throughout the year preceding the Participant's death.
- b. A Joint-and-Survivor Pension is not effective unless the Pensioner and Spouse were married to each other on the Annuity Starting Date of the Participant's pension, and for at least a one year period any time before the Pensioner's death.
- c. Subject to the requirements for documentation described in Section 7.03, the Participant must file, before his Annuity Starting Date, a written representation, on which the Board or other Plan Representative is entitled to rely, concerning that Participant's marital status which, if false, gives the Board the discretionary right to adjust the dollar amount of the

pension payments made to the alleged surviving Spouse so as to recoup any excess benefits which may have been paid in error.

- d. An effective election to waive the Joint-and-Survivor Pension or a revocation of that election must be:
 - (1) made (or revoked) prior to the Annuity Starting Date;
 - (2) made on forms furnished by the Trust Fund Office; **and**
 - (3) filed with the Trust Fund Office.
- e. A Joint-and-Survivor Pension, once payable, may not be revoked or the Pensioner's benefits increased, because of the subsequent divorce of the Spouse from the Pensioner or the Spouse predeceasing the Pensioner, except as provided in Subsection 7.01.d.
- f. The rights of a former Spouse or other alternate payee to any share of a Participant's pension, as set forth under a qualified Domestic Relations Order, will take precedence over any claims of the Participant's Spouse at the time of retirement or death, to the extent provided by a Domestic Relations Order or by any law of the United States.
- g. Notwithstanding any other provisions of the Plan, a waiver of the Joint-and-Survivor Pension is not effective if given more than 90 days before the Annuity Starting Date.

Section 7.08. Spousal Consent Not Necessary

- a. Notwithstanding any other provisions of the Plan, spousal consent in accordance with Section 7.03 is not required if the Participant establishes to the satisfaction of the Trustees that:
 - (1) there is no Spouse,
 - (2) the Spouse cannot be located,
 - (3) the Participant and Spouse are legally separated, **or**
 - (4) the Participant has been abandoned by the Spouse as confirmed by court order.
- b. If the Spouse is legally incompetent, consent under Section 7.03 may be given by his or her legal guardian, including the Participant if authorized to act as the Spouse's legal guardian.

Section 7.09. Survivor Benefit Limitations

Notwithstanding any provision to the contrary, all survivor benefits described in this Article 7 must comply with the requirements of Internal Revenue Code Section §401(a)(9) and the incidental benefit rule of the regulations prescribed under them, including proposed Treas. Reg. 1.401(a)(9)-1 and 1.401(a)(9)-2.

Article VIII. Death Benefits

Section 8.01. Pre-Retirement Death Benefits

Upon the death of a Participant, where there is no living Spouse, 36 monthly payments will be made to the Participant's surviving children younger than 21 years of age, if any, in an amount determined in the same manner as a Regular Pension if the Participant meets the following requirements:

- a. He has actually worked at least 435 hours (500 ours for Plan Credit Years after July 31, 2013) for which contributions were made to this Plan or to a Related Plan in at least one of the 2 consecutive Plan Credit Years prior to the Plan Credit Year in which he dies; **and**
- b. He has accumulated at least (i) 5 Years of Credited Service, (excluding any Credited Future Service earned as a result of work in Continuous Non-Covered Employment), or (ii) at least 5 Years of Combined Credited Service, as defined in Section 4.05, and a Related Plan under which he has earned Related Credit that makes provision for a Pre-Retirement Death Benefit (or its equivalent, regardless of what it is named), whether or not the eligibility requirements for that Death Benefit have been met.

The payments will cease when all children younger than 21 years of age have died, or after 36 monthly payments have been made, whichever occurs first. However, the total value of any pension payments received by the deceased Participant during a previous period of retirement will be deducted from the total value of the 36 monthly payments otherwise due the deceased Participant's children younger than 21 years of age.

The Board, in its sole discretion, will make payment in any form and on any terms and conditions it determines appropriate.

Section 8.02. Five-Year Guarantee Option

- a. In lieu of other pension options, a Participant may elect to receive a lifetime pension with payments guaranteed for 5 years. Under this option, if the Participant dies before receiving 60 pension payments, payments will continue to his Beneficiary until a total of 60 payments have been made to the Pensioner and his Beneficiary. The amount of the pension payable under this option will be determined according to (1) or (2) below, whichever is applicable.

(1) For a Participant who is retiring on a Regular, Early Retirement, or Service Pension, the monthly pension will be 97% of the amount determined in Section 3.03, 3.05 or 3.15, whichever is appropriate, if the Participant is age 65. The factor will be increased by 0.2 percentage point for each year the Participant is younger than age 65, subject to a

maximum of 99%; or decreased by 0.4 percentage point for each year the Participant is older than age 65.

- (2) For a Participant who is retiring on a Disability Pension, the monthly pension will be 95% of the amount determined in Section 3.07, if the Participant is age 55. The factor will be increased by 0.17 percentage point for each year the Participant is younger than 55; or decreased by 0.3 percentage point for each year the Participant is older than age 55.

b. Election and Revocation

- (1) Election of the Five-Year Guarantee Option must be made in writing in a form prescribed by the Board and filed with the Board prior to the date the first pension payment is made.
- (2) The Five-Year Guarantee Option may be revoked if the revocation is made in writing on a form prescribed by the Board and filed with the Board prior to the date the first pension payment is made.

c. Beneficiary

- (1) A Pensioner may designate a Beneficiary to receive any payments due under this Option by filing that designation with the Board on a form acceptable to the Board. Except as provided in Subsection c.(3) below, a Pensioner has the right to change his Beneficiary without the consent of the Beneficiary, but no change will be effective or binding on the Trust Fund unless it is received by the Board prior to the time any payments are made to the Beneficiary whose designation is on file with the Board.
- (2) If the designated Beneficiary is not alive at the time any payment under this Option is due, benefits provided under this Option will be paid to any person who is an object of natural bounty of the Pensioner, or to his estate, as set forth in Section 9.16.
- (3) A married Pensioner who designates or has designated anyone other than his Spouse as Beneficiary is required to obtain his Spouse's consent to that designation or any change in the designation, in writing, in a form prescribed by the Board and witnessed by an authorized Fund representative or a Notary Public.

Section 8.03. Pensioner's Lump-Sum Death Benefit

If a pensioner dies on or after January 1, 1997, a Pensioner's Lump-Sum Death Benefit will be paid to his surviving Spouse in an amount equal to \$100.00 for each full Benefit Unit, plus a proportionate part of \$100.00 for any fraction of a Benefit Unit, that the Pensioner had earned under the Plan on the date of his retirement.

If there is no surviving Spouse on the date of the Pensioner's death, the Lump-Sum Death Benefit will be paid to one or more of the Pensioner's relatives in the following order: child(ren), parent(s), sibling(s).

If the Pensioner is not survived by any of the preceding relatives, the Trust Fund will reimburse the individual responsible for the Pensioner's funeral expenses to the extent that the expenses do not exceed the amount of the Lump-Sum Death Benefit. Any portion of the Lump-Sum Death Benefit remaining will be payable to the estate of the Pensioner.

If a Lump-Sum Death Benefit is not payable under any of the above circumstances, it will be payable to the estate of the Pensioner.

Effective January 1, 2005, a Pensioner's Lump Sum Death Benefit will also be payable to a Participant who has filed an application for a Pension in accordance with Section 9.01 of the Plan, but dies prior to his Annuity Starting Date.

Article IX. Applications, Benefit Payments and Retirement

Section 9.01. Applications

- a. A pension must be applied for in writing on a form and in the manner prescribed by the Board. The application must be filed with the Board in advance of the Annuity Starting Date. Except as provided in Section 9.05, a pension is payable the first of the month after the month in which the application is filed, if the Participant is otherwise eligible.

An application for a Disability Pension is considered timely if the Social Security Disability Benefit Entitlement notice, or its equivalent, is filed with the Board no later than 180 days after the date of the notice. The payment of the Disability Pension will begin with the seventh month of disability.

In the event that an applicant for a Disability Pension is not mentally competent to handle his affairs at the time of his entitlement to a Social Security Disability Benefit or its equivalent, the Board, in its sole discretion, may waive the advance filing requirements set forth in the above paragraph and the applicant's Disability Pension may be made effective on the first of the month following the completion of all of the requirements for a Disability Pension, other than the requirement for advance filing.

- b. If a Pensioner submits evidence of entitlement to additional Benefit Units, his increased pension, if any, will become effective:
 - (1) retroactively to the effective date of his pension, if his application for additional Benefit Units was filed within one year after the first pension payment was made to him, **or**
 - (2) the first of the month following the date the application for additional Benefit Units was made, if it was filed more than one year after the first pension payment was made to him.
- c. If a Participant previously denied a pension submits evidence of entitlement to additional Credited Service and/or Benefit Units which subsequently qualifies him for a pension, his pension will become effective:
 - (1) retroactively to the date determined under Subsection a. above, if the evidence of additional Credited Service and/or Benefit Units was submitted within one year after he was advised of the denial of a pension.
 - (2) on the first of the month following submission of the evidence of additional Benefit Units, if it was filed more than one year after he was advised of the denial of a pension.

- d. An application for a Pre-Retirement Death Benefit must be made in writing on a form and in the manner prescribed by the Board.

Section 9.02. Information Required

Each Participant, Pensioner or any other claimant must furnish to the Board any information or proof requested by it and reasonably required to administer the Pension Plan. Failure on the part of any Participant, Pensioner or claimant to comply with this request promptly, completely and in good faith will be sufficient grounds for denying, suspending or discontinuing benefits to that person. If a Participant, Pensioner or other claimant makes a false statement material to his claim, the Board has the right to recoup, offset or recover the amount of any payments made in reliance on that false statement in excess of the amount to which the Participant, Pensioner or other claimant was rightfully entitled under the provisions of this Plan.

Section 9.03. Action of Board of Trustees

The Board of Trustees is, subject to the requirements of the law, the sole judge of the standard of proof required in any case. The application and interpretation of this Plan, and any decisions of the Board of Trustees are final and binding on all parties, subject only to judicial review as may be in harmony with federal labor law.

Section 9.04. Right of Appeal and Determination of Disputes

- a. No Participant, Pensioner, Beneficiary or other person has any right or claim to benefits under the Pension Plan, or any right or claim to payments from the Trust Fund, other than as specified in the Plan. Any dispute as to eligibility, type, amount or duration of benefits or any right or claim to payments from the Trust Fund will be resolved by the Board under the Pension Plan provisions, and its decision of the dispute, right or claim will be final and binding on all parties, subject only to any civil action under §502(a) of ERISA, including the petitioner and any person claiming under the petitioner provided, that no legal action may be commenced or maintained against the Plan more than 90 days after the Board of Trustees' decision upon review. The provisions of this Section shall apply to and include any and every claim to benefits from the Trust Fund, and any claim or right asserted under the Pension Plan or against the Trust Fund, regardless of the basis asserted by the claim and regardless of when the act or omission upon which the claim is based occurred.

b. Denial of Benefits

- (1) Non-Disability Benefits and Disability Benefits determined under Sections 3.08 (based on a Social Security Disability Benefit), Subsections 6.05.a.(1), 6.05.a.(2), and 6.07.d. If an application for benefits is denied in whole or in part by the Trust Fund Office (acting for the Board of Trustees), the applicant will be notified of the denial, in writing, within a reasonable period of time but not later than 90 days after receipt of the application

unless the Trust Fund Office determines that special circumstances require an extension of time for processing the application. In that case, a written notice of the extension will be furnished to the applicant prior to the end of the 90 day period. In no event will the extension exceed a period of 90 days from the end of the initial 90 day period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the plan expects to render a decision.

- (2) Disability Benefits determined under Sections 3.08 and 6.06.a.(1) (based on medical evidence). If an application for disability benefits under Sections 3.08 or 6.06.a.(1) (based on medical evidence) is denied by the Trust Fund Office (acting for the Board of Trustees), the applicant will be notified of the denial, in writing, within a reasonable period of time but not later than 45 days after receipt of the application for disability benefits. This 45 day period may be extended for up to an additional 30 days, provided that the Trust Fund Office determines that such an extension is necessary due to matters beyond the control of the Plan and notifies the applicant, prior to the end of the initial 45 day period, in writing, of the extension and the circumstances requiring the extension of time and the date by which the Plan expects to render a decision. If prior to the end of the first 30 day extension period, the Trust Fund Office determines that, due to matters beyond the control of the Plan, a decision cannot be made within the extension period, the period for making the decision may be extended for up to an additional 30 days, provided that the Trust Fund Office notifies the applicant, prior to the end of the first 30 day extension period, of the circumstances requiring the extension and the date as of which the Plan expects to make a decision. In the case of any extension under this subsection, the notice will be in writing and will specifically explain the Plan provisions on which the entitlement to disability benefits is based, the unresolved issues that prevent a decision, and the additional information needed to resolve those issues; and the applicant will be given at least 45 days within which to provide the specified information.

The period of time within which a benefit determination is required to be made will begin at the time an application for benefits is filed with the Trust Fund Office without regard to whether all the information necessary to make a benefit determination accompanies the filing.

In the event that a period of time is extended, as permitted above, due to an applicant's failure to submit information necessary to make a determination, the period for making the benefit determination will be suspended starting on the date notification of the extension is sent to the applicant until the date on which the applicant responds to the request for additional information.

c. Notification of Denial of Benefits

The written notification of the benefit denial will be set forth, in a manner calculated to be understood by the applicant:

- (1) All specific reason(s) for the adverse determination;
- (2) Reference to all specific Plan provision(s) on which the denial is based;
- (3) A description of any additional material or information necessary for the applicant to perfect the claim and an explanation of why such material or information is necessary;
- (4) A description of the Plan's review procedures and the time limits applicable to those procedures, including a statement of the applicant's right to bring a civil action under §502(a) of ERISA following an adverse benefit determination on review.

In addition to the above, for a claim for disability benefits under Sections 3.08 or 6.06.a.(1) (based on medical evidence), the written notification of the benefit denial will include the specific rule, guideline, protocol or other similar criterion relied upon in making the adverse determination.

d. Right to Appeal

Any person whose application for benefits under this Plan has been denied in whole or in part by the Board of Trustees, or whose claim to benefits is otherwise denied by the Board of Trustees, may petition the Board of Trustees to reconsider its decision. A petition for reconsideration:

- (1) Must be in writing; **and**
- (2) Must state in clear and concise terms the reason(s) for disagreement with the decision of the Board of Trustees; **and**
- (3) May include documents, records, and other information related to the claim for benefits; **and**
- (4) Must be filed by the petitioner or the petitioner's duly authorized representative with or received by the Trust Fund Office within sixty (60) days after the date the notice of denial was received by the petitioner. In the case of a claim for disability benefits under Sections 3.08 or 6.06.a.(1) (based on medical evidence), the petitioner or the petitioner's duly authorized representative must file his or her petition for reconsideration within one hundred eighty (180) days after the date the notice of denial was received by the petitioner.

Upon good cause shown, the Board of Trustees may permit the petition to be amended or supplemented. The failure to file a petition for reconsideration within sixty (60) day period (one hundred eighty (180) day period for disability benefits under Sections 3.08 or 6.06.a.(1) (based on medical evidence)) constitutes a waiver of the petitioner's right to reconsideration of the decision. The failure to file an appeal will not, however, preclude the petitioner from establishing his or her entitlement at a later date based on additional information and evidence that was not available to him or her at the time of the decision of the Board of Trustees.

Upon request, the petitioner or the petitioner's duly authorized representative will be provided, free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the petitioner's claim for benefits. A document, record or other information is considered relevant to a petitioner's claim if it was relied upon in making the benefit determination; was submitted, considered or generated in the course of making the benefit determination, without regard to whether it was relied upon in making the benefit determination; demonstrates that the benefit determination was made in accordance with the Plan provisions and that the Plan provisions have been applied consistently with respect to similarly situated claims; or, in regards to disability benefits under Sections 3.08 or 6.06.a.(1) (based on medical evidence), constitutes the Plan's policy or guidance with respect to the benefit denial (whether or not it was relied upon in making the benefit determination) and other relevant information.

The review of the determination will take into account all comments, documents, records, and other information submitted by the claimant relating to the claim without regard to whether the information was submitted or considered in the initial benefit determination.

In the case of a disability determination under Sections 3.08 or 6.06.a.(1) (based on medical evidence), the petitioner will have access to relevant documents, records and other information relevant to the petitioner's claim, including any statement of policy or guidance with respect to the Plan concerning the denial of disability benefits, without regard to whether that advice or statement was relied upon in making the benefit determination. The Board of Trustees will not give any deference to the initial benefit determination. If the adverse benefit determination is based in whole or in part on a medical judgment, the Board of Trustees will consult with a health care professional with appropriate training and experience in the field of medicine involved in the medical judgment. The consultant will be independent of any individual consulted in connection with the initial determination and will not be the subordinate of any the first consultant. Relevant information also includes identification of any medical or vocational expert whose advice was obtained on behalf of the Plan in connection with the adverse benefit determination, without regard to whether the advice was relied upon in making the benefit decision.

e. Review of Appeal

A benefit determination on review will be made by the Trustees or by a committee designated by them no later than the date of the quarterly meeting of the Board of Trustees that immediately follows the Plan's receipt of the request for review unless the request for review is filed within thirty (30) days preceding the date of the meeting. In which case, a benefit determination will be made no later than the date of the second meeting following the Trust Fund Office's receipt of the request for review. If special circumstances require a further extension of time for processing, a benefit determination will be rendered no later than the third meeting following the Trust Fund Office's receipt of the request for review and the Board of Trustees will provide the petitioner with a written notice of the extension, describing the special circumstances and the date by which the benefit determination will be made, prior to the commencement of the extension. The Board of Trustees will notify the petitioner of the benefit determination as soon as possible but not later than 5 calendar days after the benefit determination is made.

The notification of a benefit determination upon review will be in writing and will include the reason(s) for the determination, including references to the specific Plan provisions on which the determination is based. It will also include a statement that the petitioner is entitled to receive, upon request and free of charge, reasonable access to, and copies of all documents, records and other information relevant to the claim for benefits. The notification of a benefit determination in regards to disability benefits under either Sections 3.08 or 6.06.a.(1) (based on medical evidence) will include the above, along with the specific rule, guideline, protocol or other similar criterion relied upon in making the adverse determination.

The period of time within which a benefit determination review is required to be made by the Trustees or by a committee designated by them will begin at the time the request for the benefit determination review is filed with the Trust Fund Office without regard to whether all the information necessary to make a benefit determination review accompanies the filing.

In the event that the period for the benefit determination review is extended due to a petitioner's failure to submit information necessary to make a determination, the period for making the benefit determination review will be suspended from the date on which the notification of the extension is sent to the petitioner until the date on which the petitioner responds to the request for additional information.

The denial of a claim to which the right to review has been waived, or the decision of the Board of Trustees or its designated committee with respect to a petition for review, is final and binding upon all parties, subject only to any civil action the applicant may bring under §502(a) of ERISA. Following issuance of a written decision of the Board of Trustees on an appeal, there is no further right of appeal to the Board of Trustees or right to arbitration.

However, a petitioner may re-establish his or her entitlement to benefits at a later date based on additional information and evidence which was not available to him or her at the time of the decision of the Board of Trustees.

Section 9.05. Benefit Payments Generally

A Participant who is eligible to receive a pension benefit under this Plan and who makes application in accordance with the rules of this Pension Plan is entitled upon retirement to receive the monthly pension benefits provided for the remainder of his life, subject to the provisions of this Plan. Benefit payments will begin on the first day of the month following the month in which the Participant has fulfilled all the conditions of entitlement to benefits. The first day of that month is the Annuity Starting Date as that term is defined in Section 1.03.

Unless the Participant elects otherwise, the payment of benefits will begin no later than the 60th day after the later of the close of the Plan Year in which:

- a. the Participant attains Normal Retirement Age, **or**
- b. the Participant terminates his Covered Employment and retires, as that term is defined in Section 9.11.

A Participant may, however, elect in writing and file with the Board to receive benefits payable for a later month, provided that this election does not postpone the commencement of benefits to a date later than the Required Beginning Date.

Pension payments to the Pensioner will not be made in a form other than equal monthly installments for the Pensioner's lifetime, except as provided in Section 9.09, or to effect (1) retroactive adjustments including recoupment of overpayments or (2) increases in the monthly pension amount applicable to all Pensioners in a specified class.

Pension payments to the Participant's Beneficiary who is not his surviving Spouse, which become payable on account of the Participant's death will begin no later than one year from the date of death or, if later, as soon as practicable after the Board learns of the death.

Pension payments will end with the payment for the month in which the death of the Pensioner occurs except as provided in accordance with the Joint-and-Survivor Pension or, if applicable, upon the completion of the guaranteed payments provided for in Section 8.02.

If a Participant or Beneficiary cannot be found after a period of 4 years from the date on which a benefit becomes payable to him, that benefit will be forfeited and will go to and be retained by the Trust Fund, unless the Plan has been terminated prior to the date on which the benefit would become forfeitable in accordance with this provision. However, if a

Participant or Beneficiary subsequently makes a claim for the forfeited benefit, the benefit will again be payable to the Participant or Beneficiary.

In the event that there are conflicting claims to a benefit payable under the terms of the Plan, the Board may interplead the claimants by appropriate proceedings in a court of competent jurisdiction. In this event, the provisions of Section 9.04 do not apply and the claimants must submit their respective claims to the court in which the interpleader proceedings are pending. Upon deposit with the court of the accrued benefits, the Board will be entitled to be dismissed from the interpleader proceedings and entitled to payment of its costs in connection with the proceeding, including reasonable attorney's fees. Thereafter, a final decision of the court in the proceedings will bind all claimants and constitute a full discharge of the Board and the Trust Fund from any liability for benefits.

Section 9.06. Mandatory Commencement of Benefits

- a. Notwithstanding any provision of the Plan to the contrary, effective April 1, 1990, the Trust Fund will begin benefit payments to all Participants by their Required Beginning Dates, whether or not they apply for benefits.
- b. If a Participant fails to file a completed application for benefits on a timely basis, and his whereabouts are known to the Trust Fund, the Trust Fund will establish the Participant's Required Beginning Date as the Annuity Starting Date and begin benefit payments as follows:
 - (1) If the Actuarial Value of the Participant's benefit (determined in accordance with Section 9.09, on small benefit cashouts) is no more than \$5,000, in a single-sum payment.
 - (2) In any other case, in the form of a Joint-and-Survivor Pension calculated on the assumptions that the Participant is and has been married for at least one year by the date payments start and that the husband is 3 years older than the wife.
 - (3) The benefit payment form specified here will be irrevocable once it begins, with the sole exception that it may be changed to a single-life annuity if the Participant proves that he did not have a qualified Spouse (including an alternate payee under a QDRO) on the Required Beginning Date; also, the amount of future benefits will be adjusted based on the actual age difference between the Participant and Spouse if proven to be different from the foregoing assumptions.
 - (4) Federal, state and local income tax, and any other applicable tax, will be withheld from the benefit payments as required by law or determined by the Board to be appropriate for the protection of the Board and the Participant.
- c. In the event of a mandatory distribution greater than \$1,000 in accordance with the provisions of Article 9, if the Participant does not elect to have such distribution paid directly to an eligible

retirement plan specified by the Participant in a direct rollover or to receive the distribution directly, then the Plan Administrator will pay the distribution in a direct rollover to an individual retirement plan designated by the Plan Administrator.

Section 9.07. Benefits Accrued After Retirement

a. Before Normal Retirement Age

Effective as of June 1, 1989, additional benefits earned by a Participant in Covered Employment before Normal Retirement Age will be determined as of the Participant's new Annuity Starting Date, unaffected by previously suspended pension benefits which may be resumed in accordance with Section 9.13.

b. After Normal Retirement Age

As of June 1, 1989, any additional benefits earned by a Participant in Covered Employment after Normal Retirement Age will be determined at the end of each Plan Credit Year and will be payable as of February 1, following the end of the Plan Credit Year in which it accrued, provided payment of benefits at that time is not suspended pursuant to Section 9.12 or postponed due to the Participant's continued employment.

Additional benefits that are not suspended or postponed will be paid in the payment form in effect for the Participant as of the Annuity Starting Date most recently preceding the date the additional benefits became payable, if the Annuity Starting Date had been established after Normal Retirement Age; otherwise the additional benefits will be determined as of the Participant's new Annuity Starting Date.

Section 9.08. Actuarial Adjustment for Delayed Retirement

- a. As of June 1, 1989, if a Participant's initial Annuity Starting Date is after the Participant's Normal Retirement Age, the monthly benefit will be the accrued benefit at Normal Retirement Age, actuarially increased for each complete calendar month between Normal Retirement Age, and the Annuity Starting Date for which benefits were not suspended, and then converted as of the Annuity Starting Date to the benefit payment form elected in the pension application of the Participant, or to the automatic form of Joint-and-Survivor Pension if the Participant is married.
- b. If a Participant becomes entitled to additional benefits after Normal Retirement Age, whether through additional service or because of a benefit increase, the actuarial increase in those benefits will start from the date they would first have been paid rather than Normal Retirement Age.

- c. The actuarial increase will be 1.00% per month for each month after Normal Retirement Age (or a later date as may be determined in Subsection b. above) until age 70 and 1.50% per month thereafter until the Participant's Required Beginning Date.
- d. Notwithstanding the above, instead of an actuarially increased benefit, a Participant may choose to receive at his Annuity Starting Date:
 - (1) a monthly benefit equal to his accrued benefit at Normal Retirement Age, adjusted to include any additional benefits to which he becomes entitled to after his Normal Retirement Age and before his Annuity Starting Date as described in Subsection b. above, **plus**
 - (2) a one-time cash payment equal to the total of the amounts payable for the months between his Normal Retirement Age and his Annuity Starting Date for which benefits are not suspended.

Section 9.09. Lump-Sum Payment in Lieu of Monthly Benefit

If at the time a monthly benefit becomes payable to a Participant or surviving Spouse and the Actuarial Present Value of the monthly benefit is \$5,000 or less, the Board will pay to the Participant or surviving Spouse in a lump-sum the amount of the Actuarial Present Value, in lieu of a monthly benefit.

For purposes of this Section, Actuarial Present Value will be determined in accordance with Section 1.01, except that the following procedure will apply to benefits payable to a Participant or Spouse if it results in a larger lump-sum amount:

- a. For a Participant who is eligible for a Regular, Early, Service or Deferred Vested Pension, the lump-sum amount will be \$119.00 for each \$1.00 of Pension if the Participant is age 60. The factor is increased by \$.18 for each month the Participant is younger than age 60; or decreased by \$.21 for each month the Participant is older than age 60.
- b. For a Participant who is eligible for a Disability Pension, the lump-sum amount will be \$97.00 for each \$1.00 of Pension if the Participant is age 45. The factor is increased by \$.04 for each month the Participant is younger than age 45; or decreased by \$.12 for each month the Participant is older than age 45.

In no event will the amount determined under this Section on or after June 1, 2000 be less than the value that would be determined using the legally required assumptions regarding life expectancy and interest rate as reflected in the Retirement Protection Act of 1994, Pub. L. 103-465 and Treas. Reg. 1.417(d)-1T.

Notwithstanding any other Plan provisions to the contrary, for distributions with Annuity Starting Dates on or after January 1, 2003, any reference in the Plan to the “applicable mortality table” or mortality tables reflected in the Retirement Protection Act of 1994 will be construed as a reference to the mortality table prescribed in Revenue Ruling 2001-62 for all purposes under the Plan.

Section 9.10. Rounding of Benefit Amount

If the amount of any monthly benefit payable under the Plan is not a multiple of \$0.50, the amount will be rounded up to the next multiple of \$0.50.

Section 9.11. Retirement.

a. Before Normal Retirement Age

To be deemed retired before he has attained Normal Retirement Age, a Pensioner must withdraw completely and refrain from engaging in employment prohibited by the Plan. Prohibited employment includes:

- (1) any employment covered by the Collective Bargaining Agreement with the Union or an affiliated local union;
- (2) any employment for the Union or an affiliated local union; **or**
- (3) any employment or self-employment for wages or profit in the Building and Construction Industry or in the Rock, Sand and Gravel Industry in the geographical jurisdiction of this Plan or a Related Plan with which the Trust Fund has a reciprocal agreement.

b. After Normal Retirement Age and Prior to the Required Beginning Date

To be deemed retired after Normal Retirement Age and prior to his Required Beginning Date, a Pensioner must refrain from engaging in employment prohibited by the Plan. Prohibited employment includes employment or self-employment for wages or profit of 40 hours or more during a calendar month: (1) in an industry in which Employees were employed and accrued benefits under the Plan as a result of that employment at the time that payment of benefits to the Pensioner commenced or would have commenced if the Pensioner had not remained in or returned to employment; and (2) in a trade or craft in which the Pensioner was employed at any time under the Plan; and (3) in the state of California.

c. After the Required Beginning Date

A Pensioner will be deemed retired upon reaching his Required Beginning Date irrespective of the type of employment performed.

- d. When a Pensioner performs casual services for the Local Union or District Council as a part-time paid official, these services will not constitute employment for the purposes of this Section.

Section 9.12. Suspension of Pension Payments

a. Before Normal Retirement Age

If a Pensioner is employed in work of the type described in Subsection 9.11.a., his pension payments will be suspended and permanently withheld for a period equal to the number of months during which he was employed or self-employed.

Pension payments will also be suspended and permanently withheld for an additional 3 months, except with respect to a person receiving a Disability Pension.

b. After Normal Retirement Age and Prior to the Required Beginning Date

If a Pensioner is employed in work of the type described in Subsection 9.11.b., his pension payments will be suspended and permanently withheld for each calendar month in which he was so employed or self-employed. After he ceases that employment, his pension will resume with the first month following the cessation of employment or self-employment of the type described in Subsection 9.11.b.

c. After the Required Beginning Date

Pension payments cannot be suspended for employment after the Required Beginning Date.

d. Notices

- (1) Before commencement of pension benefits, a Pensioner must sign a retirement declaration, in a form prescribed by the Board of Trustees, acknowledging notice of the Plan rules governing suspension of benefits, as set forth in the declaration, and agreeing to abide by the requirements of those rules. The Pensioner will be notified by mail at his last address on record with the Trust Fund of any material change in the suspension rules on or before the effective date of the change or within 15 days.

- (2) A Pensioner must notify the Plan in writing within 15 days after starting any work of a type that is or may be prohibited under the provisions of Section 9.11 and without regard to the number of hours of work.

The Board may at any time or from time to time as a condition to receiving future benefit payments require that a Pensioner submit evidence verifying that he is unemployed or that any employment does not constitute work of the type prohibited under the provisions of Section 9.11. The Board will advise all Pensioners in writing at least once every 24 months, or as determined by the Board of its employment verification requirements and the nature and effect of the presumptions provided in this Section 9.12.d.(2).

- (3) Whenever the Board becomes aware that a Pensioner is working or has worked in prohibited employment in any month after Normal Retirement Age, and has failed to give timely notice to the Plan of that employment, the Board may, unless it is unreasonable under the circumstances to do so, act on the basis of a rebuttable presumption that the Pensioner worked for at least 40 hours in a month and any subsequent month before the Pensioner gives notice in writing to the Board that he has ceased prohibited employment. The Pensioner may overcome the presumption by establishing that his work was not, in fact, an appropriate basis, under the Plan, for suspension of his benefits.

In addition, whenever the Board becomes aware that a Pensioner is working or has worked in prohibited employment for any number of hours for an employer at a construction site and he has failed to give timely notice to the Plan of that employment, the Board may, unless it is unreasonable under the circumstances to do so, act on the basis of a rebuttable presumption that the Pensioner engaged in that employment for the same employer in work at that site for as long as that same employer performed that work at that construction site. The Pensioner may overcome the presumption by establishing that his work was not, in fact, an appropriate basis, under the Plan, for suspension of his benefits.

- (4) A Pensioner whose pension has been suspended must notify the Plan, in writing, when prohibited employment has ended. The Board will have the right to withhold benefit payments until that notice is filed with the Plan.
- (5) A Participant may request, in writing, a determination by the Board whether specific contemplated employment is prohibited by Section 9.11.b. The Board will make its determination and notify the Participant, in writing, of that determination in accordance with the claims review procedure provided in Section 9.04.

- (6) The Plan will inform a Pensioner of any suspension of his benefits pursuant to Section 9.11.b. by notice given by personal delivery or first class mail during the first month in which his benefits are withheld. This notice will include:
- (a) a description of all specific reasons for the suspension,
 - (b) a general description of all Plan provisions relating to the suspension of benefits,
 - (c) a copy of the provisions and a copy of the claims review procedure provided in Section 9.04.,
 - (d) a statement that applicable Department of Labor regulations may be found in Section 2530.203-3 of Title 29 of the Code of Federal Regulations,
 - (e) a statement that a request for the review of the suspension will be considered in accordance with the claims review procedure provided in Section 9.04,
 - (f) a description of the procedure for filing a benefit resumption notice,
 - (g) the forms that must be filed for that purpose and
 - (h) a specific identification of the periods of employment for which suspendable amounts will be offset, the suspendable amounts subject to offset and the manner in which the offset will be made.
- (7) A Participant who continues employment beyond Normal Retirement Age in the type of work prohibited by Section 9.11.b., will be notified in writing during the first calendar month after his attainment of Normal Retirement Age that his pension benefits will not commence until he has retired and filed an application for benefits. He will also be informed that since he has delayed his Annuity Starting Date beyond Normal Retirement Age, he will forfeit benefits to which he may have been entitled had he not continued working.

e. Review

A suspension of benefits pursuant to this Section is subject to review by the Board in accordance with the claims review procedure provided in Section 9.04.

f. Resumption of Benefit Payments

- (1) Benefit payments will resume after the last month during which benefits were suspended, provided the Pensioner has complied with the notification requirements of Subsection d.(4) above. Subject to the provisions of Subsection f.(2), overpayments

attributable to payment of benefits made for any month or months for which the Pensioner engaged in prohibited employment will be deducted from benefits otherwise payable subsequent to the period of suspension.

- (2) In the case of a Pensioner who has attained Normal Retirement Age, benefit payments will resume no later than the third month after the last calendar month for which the Pensioner's benefit was suspended. The deduction or offset for prior benefit overpayments will be 100% of the initial payment or the full suspendable amount subject to offset, whichever is less. Thereafter, the deduction or offset in any one month will not exceed 25% of that month's total benefit payment.
- (3) If a Pensioner dies before recoupment of the overpayment, deductions will be made from any benefits payable to his surviving Spouse or Beneficiary, subject to the 25% limitation.

g. Continued Employment After Normal Retirement Age

Section 9.12.b., which provides for the suspension of benefits after Normal Retirement Age, will not apply to a Participant who remains in Covered Employment and does not retire until after Normal Retirement Age, unless he subsequently returns to prohibited employment after he retires.

- h. The suspension rules set forth in this section 9.12 do not apply to any Pensioner who is employed as a part-time instructor by the Laborers Training and Retraining Trust Fund for Northern California.

Section 9.13. Pensioner Work Addendum

Notwithstanding the provisions of Sections 9.11 and 9.12 above, a Pensioner may return to work without suspension of pension benefits if the Pensioner complies with any and all terms, conditions and provisions of any Retiree Work Addendum existing under an applicable collective bargaining agreement.

RETIREE RETURN TO WORK ADDENDUM

In accordance with Section 9.13 of the Plan, a Pensioner may perform certain types of work under specific conditions without having his monthly pension benefit from the Laborers Pension Trust Fund for Northern California suspended. The following list of positions includes, but is not limited to, those which the Pension Plan "exempts" from the suspension of benefits provisions.

- Owner or partial owner of a company provided the employer is signatory to a Northern California District Council of Laborers collective bargaining agreement.

- Equipment or Personnel Dispatcher for a signatory employer.
- Human Resources or Personnel Manager for a signatory employer.
- Instructor for a signatory employer on equipment not trained for at one of the Northern California District Council of Laborers training facilities.
- Supervisor or Superintendent in the construction industry paid on a bona fide salary basis by a signatory employer.
- Estimator for a signatory employer.
- Office worker for a signatory employer.
- Project Manager for a signatory employer.
- Safety Officer for a signatory employer.
- Inspector for a signatory employer.
- Employment by the Foundation for Fair Contracting in accordance with the terms, conditions and provisions governing that employment established by the collective bargaining parties.

The above types of work will be permitted as long as the retiree does not perform work of the kind covered by a Northern California District Council of Laborers Collective Bargaining Agreement in the state where he is working, even while working in one of the above capacities. This list is subject to revision at the discretion of the Board of Trustees.

Section 9.14. Benefit Payments Following Suspension

- a. The monthly amount and type of pension after suspension will be in the same form and amount received prior to suspension.
- b. Suspension of pension payments before Normal Retirement Age, in accordance with Subsection 9.12.a., because of employment of the type for which a pension would not be suspended after Normal Retirement Age, will not reduce the value of the Pensioner's pension below the actuarial equivalent of the pension payable at his Normal Retirement Age. To the extent necessary and to avoid a reduction, the monthly amount of the pension will be adjusted so as not to deprive the Pensioner of the value of the pension payable to him at his Normal Retirement Age.

- c. A Joint-and-Survivor Pension in effect immediately prior to the suspension of benefits and any optional form of payment selected, will remain in effect if the Pensioner's death occurs while his benefits are in suspension. If a Pensioner returns to Covered Employment, he will not be entitled to a new election as to the Husband-and-Wife Option, or any other optional form of benefit provided under the Plan.

Section 9.15. Non-Forfeitability

- a. The Employee Retirement Income Security Act requires that certain benefits under this Plan be non-forfeitable.
- b. A Participant acquires a non-forfeitable right to a Regular Pension at Normal Retirement Age. Periods of service and breaks in service are defined for that purpose under this Plan on the basis of all compensated hours of work.
- c. ERISA also provides certain limitations on any plan amendment that may change the Plan's vesting schedule. In accordance with those legal limitations, no amendment of this Plan may take away a Participant's non-forfeitable right to a Regular Pension at Normal Retirement Age, if he has already earned the pension at the time of the amendment. Also, an amendment may not change the vesting schedule on which basis a Participant acquires this right, unless each Participant who has at least 5 Years of Service at the time the amendment is adopted or effective (whichever is later) is given the option of achieving a non-forfeitable right on the basis of the pre-amendment schedule.

That option may be exercised within 60 days after the latest of the following dates:

- (1) when the amendment was adopted,
- (2) when the amendment became effective, **or**
- (3) when the Participant was given written notice of the amendment.

The provisions of this Section are subject to the provisions of Sections 3.12, 9.01, 9.02, 9.05, 9.10, 9.12, 9.14 and 12.01.

Section 9.16. Incompetence, Incapacity or Minority of Payee

In the event that it is determined to the satisfaction of the Board that a Pensioner or Beneficiary is unable to care for his affairs because of mental or physical incapacity, or that a Beneficiary is a minor, and that no guardian, committee or representative of the payee has been legally appointed, the Board may in its sole discretion, during the lifetime or minority of the payee, as the case may be, pay any amount otherwise payable to the payee, to the person or persons, or institution or facility, who or which in its opinion has been or will be caring for or supporting

the payee (except that no payment will be made to a governmental institution or facility if the payee is not legally required to pay for his or her care and maintenance), until claim is made for any amounts not expended, by a legally appointed guardian, committee or other representative of the payee or by the payee after the payee has reached majority. Any payment under this Section will discharge the obligation of the Trust Fund to the extent of that payment.

Section 9.17. Benefits Unpaid on a Pensioner's or Beneficiary's Death

The Trust Fund may pay any benefits due and payable but not actually paid prior to the death of a Pensioner or Beneficiary to any person or institution determined by the Trust Fund to be equitably entitled to payment. The remainder of the amount will be paid to one or more of the surviving relatives of the Pensioner or Beneficiary in the following order: lawful Spouse, child or children, parent(s), sibling(s), or to the estate of the Pensioner or Beneficiary. Any payment in accordance with this provision will discharge the obligation of the Trust Fund to the extent of that payment.

Section 9.18. Non Assignment of Benefits.

Except to the extent provided by a qualified Domestic Relations Order, or the equivalent, authorized by ERISA, the Internal Revenue Code or the Retirement Equity Act, each Participant, Pensioner or Beneficiary under the Plan is restrained from selling, transferring, anticipating, assigning, alienating, hypothecating or otherwise disposing of his Pension, prospective pension or any other right under the Plan. The Board of Trustees will not recognize, or be required to recognize, any sale, transfer, anticipation, assignment, alienation, hypothecation or other disposition. Any pension, prospective pension, right or interest will not be subject in any manner to any voluntary transfer or transfer by operation of law or otherwise, and will be exempt from the claims of creditors or other claimants and from all orders, decrees, garnishments, executions or other legal or equitable process or proceeding to the fullest extent permitted by the laws of the United States or any regulation.

The Board will adopt and prescribe reasonable rules and regulations for the implementation of the Qualified Domestic Relations Order provisions of ERISA, the Internal Revenue Code and the Retirement Equity Act. In no event will any order provide for or result in the payment of benefits which have an actuarial value in excess of the actuarial value of the benefits to which the participant would be entitled in the absence of a Domestic Relations Order.

Section 9.19. Offset and Recoupment

In the event that it is determined that due to either a mistake of fact or law, or to comply with Section 9.18, or to any other circumstances, a Pensioner or Beneficiary has been paid more than he is entitled to under the terms of the Plan or under the law, the Board will offset, recoup and recover the amount of the overpayment from payments due or thereafter becoming due to the

Pensioner or his Beneficiary or surviving Spouse, in installments and to the extent as the Board will determine.

Section 9.20. Deductions from Benefit Payments

- a. To the extent authorized by the Participant or required by the Internal Revenue Service or state taxing authority, federal and state income taxes will be withheld from a Participant's benefit payments.
- b. The Board of Trustees may establish a procedure whereby any Retired Employee, and any surviving Spouse while entitled to receive a pension, will have a portion of the pension due him deducted from his benefit payments and paid to Laborers Health and Welfare Trust Fund for Northern California to defray all or part of the cost of benefits to be provided to him by that Fund.
- c. The Board of Trustees may establish a procedure whereby any Pensioner, while entitled to receive a pension from the Plan, may have a portion of the pension due him deducted from his benefit payments and paid to a Laborers International Union of North America (LIUNA) entity, as per the provisions of written authorization from such Pensioner.

Article X. Maximum Benefits

In addition to any other limitations set forth in the Plan and notwithstanding any other provisions of the Plan, effective for Limitation Years beginning on and after January 1, 2008, benefits under the Plan shall be limited in accordance with section 415 of the Code and the Treasury Regulations thereunder, in accordance with this Article. This Article 10 is intended to incorporate the requirements of section 415 of the Code by reference except as otherwise specified herein.

Section 10.01. Definitions. For purposes of this Article 10, the following terms shall have the following meanings.

a. Compensation

“Compensation” for purposes of this Article 10 regarding “Highly Compensated Employee” means remuneration received from the Employer during the calendar year, as defined in Treasury Regulation § 1.415(c)-2(d)(4).

(1) “Compensation” shall also be subject to the following rules:

(a) 415 Compensation must be paid within the calendar year, and paid or treated as paid before Severance from Employment in accordance with the general timing rule of § 1.415(c)-2(e)(1) and in accordance with §1.415(c)-2(e)(2) regarding certain minor timing differences.

(b) 415 Compensation must include amounts paid by the later of 2½ months after Severance from Employment or the end of the Limitation Year that includes the Severance from Employment date in accordance with §1.415(c)-2(e)(3)(i). Such post-severance compensation includes regular pay as defined in §1.415(c)-2(e)(3)(ii), leave cashouts and deferred compensation as defined in §1.415(c)-2(e)(3)(iii), salary continuation payments for military service and disabled participants in accordance with §1.415(c)-2(e)(4), deemed section 125 compensation as defined in §1.415(c)-2(g)(6), but not other post-severance payments as defined in §1.415(c)-2(e)(3)(iv).

(2) The annual compensation of each Participant taken into account in determining benefit accruals in any Plan Year beginning after December 31, 2001 shall not exceed \$200,000. For this purpose, annual compensation means compensation during the Plan Year or such other consecutive 12-month period over which compensation is determined under the Plan (the “determination period”).

b. Limitation Year

“Limitation Year” means the calendar year.

c. Plan Benefit

“Plan Benefit” means, as of any date, the amount of a Participant’s benefit as determined under the applicable provisions of the Plan before the application of the limits in Article 10.

d. Severance From Employment

“Severance From Employment” has occurred when a Participant is no longer an employee of any Employer maintaining the Plan.

Section 10.02. Limit on Accrued Benefits

For Limitation Years beginning on or after January 1, 2008, in no event shall a Participant’s benefit accrued under the Plan for a Limitation Year exceed the annual dollar limit determined in accordance with section 415 of the Code and the Treasury Regulations thereunder (the “annual dollar limit”) for that Limitation Year. If a Participant’s Plan Benefit for a Limitation Year beginning on or after January 1, 2008 would exceed the annual dollar limit for that Limitation Year, the accrued benefit, but not the Plan Benefit, shall be frozen or reduced so that the accrued benefit does not exceed the annual dollar limit for that Limitation Year.

Section 10.03. Limits on Benefits Distributed or Paid

For Limitation Years beginning on or after January 1, 2008, in no event shall the annual amount of benefit distributed or otherwise payable to or with respect to a Participant under the Plan in a Limitation Year exceed the annual dollar limit for that Limitation Year. If the benefit distributable or otherwise payable in a Limitation Year would exceed the annual dollar limit for that Limitation Year, the benefit shall be reduced so that the benefit distributed or otherwise payable does not exceed the annual dollar limit for that Limitation Year.

Section 10.04. Protection of Prior Benefits

- a. To the extent permitted by law, the application of the provisions of this Article 10 shall not cause the benefit that is accrued, distributed or otherwise payable for any Participant, including the Participant’s annual benefit accrued under the Plan as separately determined for each Individual Employer, to be less than the Participant’s accrued benefit as of December 31, 2007 under the provisions of the Plan that were both adopted and in effect before April 5, 2007 and that satisfied the limitations under section 415 of the Code and the Treasury Regulations thereunder as in effect as of December 31, 2007.

- b. For any year before 1983, the limitations prescribed by section 415 of the Code as in effect before enactment of the Tax Equity and Fiscal Responsibility Act of 1982 shall apply, and no benefit earned under this Plan shall be reduced on account of the provisions of this Section if it would have satisfied those limitations under the prior law.
- c. For any year before 1992, the limitations prescribed by section 415 of the Code as in effect before enactment of the Tax Reform Act of 1986 shall apply, and no benefit earned under this Plan as of the close of the last Limitation Year beginning before January 1, 1987 shall be reduced on account of the provisions of this Section if it would have satisfied those limitations under the prior law.

Section 10.05. Section 415 Cost of Living Adjustments

To the extent permitted by law, benefits accrued, distributed or otherwise payable with respect to any Participant while in Covered Employment, and after such Participant's Severance From Employment or the Participant's Annuity Starting Date, if earlier, that are limited by this Article 10 shall be increased annually pursuant to cost of living increases in the annual dollar limit under section 415(d)(1)(A) of the Code and the Treasury Regulations thereunder; provided, however, that in no event shall any increase under this Section 10.05 cause the amount of a Participant's accrued, distributed or otherwise payable benefit to exceed the amount of the Participant's Plan Benefit.

Section 10.06. Order in Which Limits Are Applied

Joint and survivor annuities. To the extent permitted by law, a Participant's qualified joint and survivor annuity form of payment and the survivor annuity portion of such form of payment are computed by applying a reduction factor or factors to a Participant's Plan Benefit before the limits under this Article 10 are applied; provided however that the survivor annuity may not exceed the benefit that would have been payable to the Participant after application of the limits in this Article 10.

Section 10.07. Aggregation of Plans

- a. In the event that the aggregate benefit accrued in any Plan Year by a Participant exceeds the limits under section 415 of the Code and the Treasury Regulations thereunder as a result of the mandatory aggregation of the benefits under this Plan with the benefits under another plan maintained by the Employer, the benefits of such other plan shall be reduced to the extent necessary to comply with section 415 of the Code and the Treasury Regulations thereunder. If necessary to observe these limits, benefits under any other defined benefit plans will be reduced before benefits under this plan, but benefits under this plan will be reduced to the extent necessary if benefit under the other plans cannot be reduced.

- b. For purposes of applying the limits of this Section 10.07, if a Participant also participates in another tax-qualified defined benefit plan of the Employer that is not a multiemployer plan, only the benefits under this Plan that are provided by the Employer are aggregated with the benefits under the other plan.

Section 10.08. General

- a. To the extent that a Participant's benefit is subject to provisions of section 415 of the Code and the Treasury Regulations thereunder that have not been set forth in the Plan, such provisions are hereby incorporated by reference into this plan and for all purposes shall be deemed a part of the Plan.
- b. This Article 10 is intended to satisfy the requirements imposed by section 415 of the Code and the Treasury Regulations thereunder and shall be construed in a manner that will effectuate this intent. This Article 10 shall not be construed in a manner that would impose limitations that are more stringent than those required by section 415 of the Code and the Treasury Regulations thereunder.
- c. If and to the extent that the rules set forth in this Article 10 are no longer required for qualification of the Plan under section 401(a) and related provisions of the Code and the Treasury Regulations thereunder, they shall cease to apply without the necessity of an amendment to the Plan.

Section 10.09. Interpretation or Definition of Other Terms

The terms used in this Article 10 that are not otherwise expressly defined for this Article, shall be defined as provided in the Plan, or if not defined in the Plan, shall be defined interpreted and applied for purposes of this Article 10 as prescribed in section 415 of the Code and the Treasury Regulations thereunder.

Article XI. Miscellaneous

Section 11.01. Gender

Wherever any words are used in this Pension Plan in the masculine gender, they should be construed as though they were used in the feminine gender in all situations. Wherever any words are used in this Pension Plan in the singular form, they should be construed as though they were in the plural form in all situations, and vice versa.

Section 11.02. Mailings

Except as otherwise specifically provided in this Plan, any notice or other communication to be given under the provisions of the Plan may be given by mailing the notice or communication by first class mail to the person to be notified at his last address on the records of the Plan and will be effective for all purposes on the third day after mailing the notice.

Section 11.03. Addition of New Groups of Contributing Employers

The Board will review the relevant actuarial data with respect to any group of employees added to the coverage of this Pension Fund. If the Board concludes that modification of previously adopted funding assumptions or changes in amounts of pension benefits would result from the inclusion of the group, the appropriate provisions of the Pension Plan will be modified with respect to the group involved so that the Trust Fund will not be adversely affected by the inclusion of the group.

Section 11.04. Right to Terminate

The Trustees have the right to discontinue or terminate this Plan in whole or in part. In the event of a termination of this Plan, the rights of all affected Participants to accrued benefits, to the extent funded, become 100% vested and nonforfeitable. Upon a termination of the Plan, the Trustees will take necessary steps to comply with §4041A and 4281 of ERISA.

Section 11.05. Mergers

In the case of any merger or consolidation of the Plan with, or transfer, in whole or in part, of the assets and liabilities of the Pension Fund to any other Pension Fund after September 2, 1974, each Participant will (if the Plan terminated) receive a benefit immediately after the merger, consolidation or transfer which is at least equal to the benefit he would be entitled to receive immediately before a merger, consolidation or transfer as if the Plan had terminated.

Section 11.06. Special Provision for Eligible Rollover Distributions

This Section applies to distributions made from the Trust Fund on or after January 1, 1993. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section, a distributee may elect, at any time and in the manner prescribed by the Board, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover (all terms as defined below).

Effective January 1, 2002, any provisions in this Section that are contrary to those contained in Section 13.04 will be superseded by Section 13.04.

a. Eligible Rollover Distribution

An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include:

- (1) any distribution that is one of a series of substantially equal periodic payments (not less frequent than annually) made for the life (or life expectancy) of the distributee, or the joint lives (or joint life expectancies) of the distributee and the distributee's designated Beneficiary, or for a specified period of 10 years or more;
- (2) any distribution to the extent the distribution is required under Section 401(a)(9) of the Internal Revenue Code;
- (3) one-time retiree benefit increases payable as extra monthly annuity benefits; **or**
- (4) the portion of any distribution that is not includible in gross income.

b. Eligible Retirement Plan

An eligible retirement plan is:

- (1) an individual retirement account described in Section §408(a) of the Code;
- (2) an individual retirement annuity described in Section §408(b) of the Code; **or**
- (3) A qualified trust described in 401(a) or Section 403(a) of the Code that accepts the distributee's eligible rollover distributions. Effective for distributions made after December 31, 2001, a qualified trust shall also include an annuity contract described in Section 401(b) of the Code and a retirement plan maintained under Section 457(b) of the Codes which is maintained by a state, political subdivisions of a state or any instrumentality of a state or political subdivisions of a state and which agrees to

separately account for amounts transferred into such plan from this Plan. Effective for distributions made after December 31, 2007, an Eligible Retirement Plan shall also include a Roth IRA described in Code §408A, subject to the restrictions that currently apply to rollovers from a traditional IRA into a Roth IRA. However, in the case of an eligible rollover distribution to the surviving Spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity; or

- (4) An annuity contract described in Section 403(b) of the Code; or
- (5) An eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this plan.

c. Distributee

A distributee includes an Employee or former Employee. In addition, the Employee's or former Employee's surviving Spouse and Employee's or former Employee's Spouse who is the alternate payee under a qualified Domestic Relations Order, as defined in Section 414(p) of the Code, are distributees with regard to the interest of the Spouse or former Spouse. Effective for distributions after December 31, 2008, a distributee also includes the Participant's nonspouse designated beneficiary under Section 5.02. In the case of a nonspouse beneficiary, the direct rollover may be made only to an individual retirement account or annuity described in Code § 408(a) or § 408(b) ("IRA") or a Roth individual retirement account or annuity ("Roth IRA") that is established on behalf of the designated beneficiary and that will be treated as an inherited IRA pursuant to the provisions of Code § 402(c)(11).

d. Direct Rollover

A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.

Article XII. Amendment

Section 12.01. Amendment

This Plan may be amended at any time by the Board consistent with the provisions of the Trust Agreement. However, no amendment may decrease the accrued benefit of any Participant except:

- a. As necessary to establish or maintain the qualification of the Plan or the Trust Fund under the Code and to maintain compliance of the Plan with the requirements of ERISA, **or**,
- b. If the amendment meets the requirements of Section 302(c)(8) of ERISA and Section 412(c)(8) of the Code, and the Secretary of Labor has been notified of the amendment and has either approved of it or, within 90 days after the date on which the notice was filed, he failed to disapprove.

Article XIII. Minimum Distribution Requirements

Section 13.01. General Rules.

- a. **Effective Date.** The provisions of this Article will apply for purposes of determining required minimum distributions for calendar years beginning after December 31, 2002, except that, for purposes of determining minimum required distributions for calendar years 2003, 2004, and 2005, a good faith interpretation of the of the requirements of Section 401(a)(9) of the Code shall apply.
- b. **Precedence**
 - (1) The requirements of this Article will take precedence over any inconsistent provisions of the Plan.
 - (2) Except to the extent inconsistent with this Article, all distribution options provided under the Plan are preserved.
 - (3) This Article does not authorize any distribution options not otherwise provided under 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 Section 401(a)(9) of the Internal Revenue Code.
- d. **TEFRA Section 242(b)(2) Elections.** Notwithstanding the other provisions of this Article, other than subsection d, distributions may be made under a designation made before January 1, 1984, in accordance with Section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the Plan that relate to Section 242(b)(2) of TEFRA.

Section 13.02. Time and Manner of Distribution.

- a. **Required Beginning Date.** The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's Required Beginning Date.
- b. **Death of Participant Before Distributions Begin.** If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:
 - (1) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, then the surviving Spouse may elect to have distributions begin by December 31 of the

calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70½, if later.

- (2) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary, distributions to the Designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.
- (3) If there is no Designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
- (4) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, this Section 13.02(b), other than Section 13.02(b)(1), will apply as if the surviving Spouse were the Participant.

For purposes of this Section 13.02(b) and Section 13.05, distributions are considered to begin on the Participant's Required Beginning Date (or, if Section 13.02(b)(4) applies, the date distributions are required to begin to the surviving Spouse under Section 13.02(b)(1)). If annuity payments irrevocably commence to the Participant before the Participant's Required Beginning Date (or to the Participant's surviving Spouse before the date distributions are required to begin to the surviving Spouse under Section 13.02(b)(1)), the date distributions are considered to begin is the date distributions actually commence.

- c. **Form of Distribution.** Unless the Participant's interest is distributed in a single sum on or before the Participant's Required Beginning Date, as of the first Distribution Calendar Year distributions will be made in accordance with Sections 13.03, 13.04 and 13.05.

Section 13.03. Determination of Amount to be Distributed Each Year.

- a. **General Annuity Requirements.** If the Participant'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) or over a period certain not longer than the period described in Sections 13.04 or 13.05;
 - (3) once payments have begun over a period certain, the period certain 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 percentage increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics;
- (b) to the extent of the reduction in the amount of the Participant's payments to provide for a survivor benefit upon death, but only if the Designated Beneficiary whose life was being used to determine the distribution period described in Section 13.04 dies or is no longer the Participant's Designated Beneficiary pursuant to a qualified domestic relations order within the meaning of Section 414(p) of the Internal Revenue Code;
- (c) to provide cash refunds of Employee contributions upon the Participant'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 Participant's Required Beginning Date (or, if the Participant dies before distributions begin, the date distributions are required to begin under Section 13.02(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 Participant's benefit accruals as 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 Participant's Required Beginning Date.
- c. **Additional Accruals After First Distribution Calendar Year.** Any additional benefits accruing to the Participant 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.

Section 13.04. Requirements for Annuity Distributions that Commence During Participant's Lifetime.

- a. **Joint Life Annuities Where the Beneficiary is Not the Participant's Spouse.** If the Participant's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Participant and non-spouse Designated Beneficiary, annuity

payments to be made on or after the Participant's Required Beginning Date to the Designated Beneficiary after the Participant'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 Participant using the table set forth in Q&A-2 of Section 1.401(a)(9)-6 of the Treasury regulations as adjusted in the manner set forth in Q&A-2(c) of that regulation. If the form of distribution combines a joint and survivor annuity for the joint lives of the Participant and a non-spouse and a period certain annuity, the requirement in the preceding sentence apply to annuity payments to be made to the Designated Beneficiary after the expiration of the period certain.

- b. **Period Certain Annuities.** Unless the Participant's Spouse is the sole Designated Beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the Participant's lifetime may not exceed the applicable distribution period for the Participant under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations for the calendar year that contains the Annuity Starting Date. If the Annuity Starting Date precedes the year in which the Participant reaches age 70, the applicable distribution period for the Participant is the distribution period for age 70 under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations plus the excess of 70 over the age of the Participant as of the Participant's birthday in the year that contains the Annuity Starting Date. If the Participant's Spouse is the Participant's sole Designated Beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Participant's applicable distribution period, as determined under this Section 14.04(b) or the joint life and last survivor expectancy of the Participant and the Participant's Spouse as determined under the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations, using the Participant's and Spouse's attained ages as of the Participant's and Spouse's birthdays in the calendar year that contains the Annuity Starting Date.

Section 13.05. Requirements For Minimum Distributions Where Participant Dies Before Date Distributions Begin.

- a. **Participant Survived by Designated Beneficiary.** If the Participant dies before the date distribution of his or her interest begins and there is a Designated Beneficiary, the Participant's entire interest will be distributed beginning no later than the time described in Section 13.02(b)(1) or (2), 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 Participant'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 Participant dies before the date distributions begin and there is no Designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
- c. **Death of Surviving Spouse Before Distributions to Surviving Spouse Begin.** If the Participant dies before the date distribution of his or her interest begins, the Participant's surviving Spouse is the participant's sole Designated Beneficiary, and the surviving Spouse dies before distributions to the surviving Spouse begin, this Section 13.05 will apply as if the surviving Spouse were the Participant, except that the time by which distributions must begin will be determined without regard to Section 13.02(b)(1).

Section 13.06. Definitions.

For purposes of this Article 13, the following definitions shall apply:

- a. **Designated Beneficiary.** The individual who is designated as the Beneficiary under Article 1, Section 1.05 of the Plan and is the designated beneficiary under Section 401(a)(9) of the Internal Revenue Code and Section 1.401(a)(9)-1, Q&A-4, of the Treasury regulations.
- b. **Distribution Calendar Year.** A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin pursuant to Article 13, Section 13.02(b).
- c. **Life expectancy.** Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury regulations.
- d. **Required Beginning Date.** The date specified in Article 1, Section 1.30 of the Plan.

Article XIV. Contingent Top Heavy Rules

Section 14.01. General Rules

If the Plan is determined to be Top Heavy (as defined in Section 14.02) for any Plan Year, then for that year, the special vesting, minimum benefit and compensation limitations of Section 14.03 will apply to any Employee not included in a unit of Employees covered by a Collective Bargaining Agreement between the Union and one or more Employers.

Section 14.02. Determination of Top Heavy Status

- a. **Determination Date.** The determination date for any Plan Year is the last day of the preceding Plan Year. This will also be known as the “valuation date”.
- b. **Top Heavy Status.** The Plan is Top Heavy for any Plan Year if, as of the determination date, the present value of the cumulative accrued benefits under the Plan for Key Employees exceeds 60 percent of the present value of the cumulative accrued benefits under the Plan for all Employees taking into account all distributions made during a one-year period ending on the most recent determination date and not taking into account any accrued benefit of an individual who has not performed services for an Employer during a one-year period ending on the determination date, except that in the case of a distribution made for a reason other than severance from employment, death or disability, this provision shall be applied by substituting a five-year period for one-year period.
 - (1) For this purpose, the Actuarial Equivalent of the cumulative accrued benefits will be determined on the basis of five percent (5%) interest and the 1971 Group Annuity Mortality Table.
 - (2) The accrued benefit will be determined under a uniform accrual method which applies in all defined benefit plans maintained by the Employer or, if there is no accrual method, as if the benefit accrued not more rapidly than the slowest rate of accrued permitted under the fractional rule of Code Section §411(b)(1)(C).
- c. **Key Employees.** Whether or not a Participant is a Key Employee depends on his status with the Contributing Employer that employs the Participant. For any Plan Year, a Contributing Employer’s Key Employees are those who, at any time during the Plan Year in which the determination date for that Plan Year occurs, or any of the four preceding Plan Years, are:
 - (1) Officers of the Contributing Employer having annual Compensation (as defined in paragraph e.(4) below) greater than \$130,000 for such year (which amount is subject to adjustment under Internal Revenue Code Section 416(i)(1)); or

- (2) Persons who are 5% owners of the Contributing Employer. (Sole proprietors and partners are not allowed to participate in the Plan.)
 - (3) Persons who are 1% owners of the Contributing Employer and who also have annual Compensation of more than \$150,000 for any such year.
- d. **Aggregation Rules.** In determining if the Plan is Top Heavy, the Plan will be aggregated with other plans in the required aggregation group as defined in Section 416(g)(2)(A)(i) of the Internal Revenue Code and may, in the Trustee's discretion, be aggregated with any other plan in the permissive aggregation group as defined in Section 416 (g)(2)(A)(ii) of the Internal Revenue Code. Required aggregation group means each plan of an Employer in which a Key Employee is a participant and each other plan of that Employer which enables each plan to meet the requirements of Internal Revenue Code Sections §401(a)(4) or §410. Permissive aggregation group means each plan of an Employer not within the required aggregation group of the Employer which if included with the group would allow the group to meet the requirements of Internal Revenue Code Sections §401(a)(4) and §410.
- e. **Special Rules**
- (1) The Actuarial Equivalent of the cumulative accrued benefit for any Employee will be increased by the aggregate distributions made with respect to the Employee under the Plan during the five-year period ending on the determination date.
 - (2) If an individual is not a Key Employee for any Plan Year but was a Key Employee for any prior Plan Year, any accrued benefit for such Employee will not be taken into account for purposes of determining if the Plan is Top Heavy.
 - (3) For purposes of this Article 14 "Compensation" for a Plan Year means the amount required to be included in the Employee's Form W-2 for the calendar year that ends within that Plan Year.

Notwithstanding the foregoing, for Plan Years beginning after December 31, 1997, an Employee's Compensation includes any elective deferral (as defined under Code §402(g)(3)), and any amount which is contributed or deferred by the Employer at the election of the Employee and which, by reason of Code §§125, 132(f)(4), 402(e)(3), 402(k), 402(h)(1)(B) or 457, is not includible in the gross income of the Employee.

- (4) The Board is authorized to adopt any other rules or regulations necessary to insure that the Plan complies in all respects with the Top Heavy rules of the Internal Revenue Code.

Section 14.03. Special Vesting, Minimum Benefit, and Compensation Rules

The following rules will apply only to Employees not included in a unit of Employees covered by a Collective Bargaining Agreement requiring Contribution to this Plan, and only if the Plan as a whole becomes Top Heavy. These Employees are referred to as “Top Heavy Employees”.

a. Vesting

- (1) **Applicability.** If the Plan becomes Top Heavy the vesting schedule set forth in paragraph a.(2) below will apply to the accrued benefit of every Top Heavy Employee who has at least one Contributory Hour while the Plan is Top Heavy. Participants who do not have a Contributory Hour while the Plan is Top Heavy will have their vesting determined under the regular vesting schedule. Any accrued benefits that were forfeited before the Plan became Top Heavy will remain forfeited.
- (2) **Special Vesting Schedule.** If the Plan becomes Top Heavy, the following vesting schedule will apply instead of the Plan’s regular vesting schedule to the Participants defined in paragraph (1):

Years of Vesting Service	Percentage
2	20
3	40
4	60
5	80
6 or more	100

- (3) **End of Top Heavy Status.** If, after being determined to be Top Heavy, the Plan ceases to be Top Heavy, then
 - (a) the non-forfeitable percentage of a Participant’s accrued benefit before the Plan ceased to be Top Heavy will not be reduced;
 - (b) any Top Heavy Employee with three or more years of Vesting Credit at the time the Plan ceased to be Top Heavy will have the vesting schedule of paragraph (2) above applied to his accrued benefits whenever earned; **and**
 - (c) any Top Heavy Employee with less than three years of Vesting Credit at the time the Plan ceased to be Top Heavy will have the Plan’s regular vesting provisions apply to all benefits accrued after the Plan ceased to be Top Heavy.

b. Special Minimum Benefit Rules

- (1) **Applicability.** If the Plan becomes Top Heavy, then for the first year that the Plan is Top Heavy, and for all subsequent years during which it is Top Heavy, the minimum benefit set forth in paragraph b.(2) below will apply to all Top Heavy Employees (other than Key Employees) who have a year of Vesting Credit during any such Plan Year.
- (2) **Special Minimum Benefit.** If the Plan becomes Top Heavy, the minimum Normal Pension benefit for Top Heavy Employees (other than Key Employees) will be the greater of (a) the Plan's basic Normal Pension benefit determined under Section 3.03, or (b) two percent of the Participant's Average Top Heavy Compensation for each year of Vesting Credit beginning after March 31, 1984 during which the Plan was Top Heavy, up to a maximum of 10 years.
- (3) **Average Top Heavy Compensation** means the average Compensation for work performed while a Participant in this Plan for the period of consecutive Top Heavy Years, not exceeding five, during which the Participant had the greatest aggregate Compensation. Top Heavy Years are those Plan Years beginning on or after April 1, 1984 for which the Plan is determined to be Top Heavy.

- c. **Compensation Limitation.** If the Plan is Top Heavy for any Plan Year, the amount of any Top Heavy Employee's Compensation for all purposes of the Plan, other than determining Key Employee status, will not exceed \$200,000 (as adjusted) for Plan Years prior to June 1, 1994 and will not exceed \$150,000 (as adjusted) for Plan Years beginning on and after June 1, 1994.

For Plan Years beginning after December 31, 1997, an Employee's Compensation includes any elective deferral (as defined under Code §402(g)(3)), and any amount which is contributed or deferred by the Employer at the election of the Employee and which, by reason of Code §§ 125, §132(f)(4), 402(e), 402(k), 402(h)(1)(B) or 457, is not includible in the gross income of the Employee.

Appendix A to the Pension Plan for the Laborers Pension Trust for Northern California Non-Recurring Retiree Benefit Supplement

1. All Pensioners and Beneficiaries whose Annuity Starting Dates are on or before July 1, 1991, and whose pensions are in pay status (not deceased or suspended) as of December 1, 1991, will receive with their December 1991 benefit payment a non-recurring benefit supplement equal to one month's benefit as of December 1, 1991.
2. All Pensioners and Beneficiaries whose Annuity Starting Dates are on or before December 1, 1992, and whose pensions are in pay status (not deceased or suspended) as of December 31, 1992, will receive a non-recurring benefit supplement equal to one month's benefit as of December 1, 1992.
3. All Pensioners and Beneficiaries whose Annuity Starting Dates are on or before February 1, 1994, and whose pensions are in pay status (not deceased or suspended) as of February 28, 1994, will receive a non-recurring benefit supplement equal to one month's benefit as of February 1, 1994, less the amount of the temporary supplemental benefit as set forth in Subsection 3.19.c.
4. All Pensioners and Beneficiaries whose Annuity Starting Dates are on or before February 1, 1995, and whose pensions are in pay status (not deceased or suspended) as of February 28, 1995, will receive a non-recurring benefit supplement equal to one month's benefit as of February 1, 1995, less the amount of the temporary supplemental benefit as set forth in Subsection 3.19.c.
5. All Pensioners and Beneficiaries whose Annuity Starting Dates are on or before October 1, 1995, and whose pensions are in pay status (not deceased or suspended) as of October 31, 1995, will receive a non-recurring benefit supplement equal to one month's benefit as of November 1, 1995 less the amount of the temporary supplemental benefit as set forth in Subsection 3.19.c.
6. All Pensioners and Beneficiaries whose Annuity Starting Dates are on or before November 1, 1996, and whose pensions are in pay status (not deceased or suspended) as of November 30, 1996, will receive a non-recurring benefit supplement equal to one month's benefit as of November 1, 1996 less the amount of the temporary supplemental benefit as set forth in Subsection 3.19.c.
7. All Pensioners and Beneficiaries whose Annuity Starting Dates are on or before September 1, 1997, and whose pensions are in pay status (not deceased or suspended) as of October 31, 1997, will receive a non-recurring benefit supplement equal to one month's

benefit as of November 1, 1997, less the amount of the temporary supplemental benefit as set forth in Subsection 3.19.c.

8. All Pensioners and Beneficiaries whose Annuity Starting Dates are on or before September 1, 1998, and whose pensions are in pay status (not deceased or suspended) as of September 30, 1998, will receive a non-recurring benefit supplement equal to one month's benefit as of September 1, 1998, less the amount of the temporary supplemental benefit as set forth in Subsection 3.19.c.
9. All Pensioners and Beneficiaries whose Annuity Starting Dates are on or before November 1, 1999, and whose pensions are in pay status (not deceased or suspended) as of November 30, 1999, will receive a non-recurring benefit supplement equal to one month's benefit as of November 1, 1999, less the amount of the temporary supplemental benefit as set forth in Subsection 3.19.c.
10. All Pensioners and Beneficiaries whose Annuity Starting Dates are on or before November 1, 2000, and whose pensions are in pay status (not deceased or suspended) as of November 30, 2000, will receive a non-recurring benefit supplement equal to one month's benefit as of November 1, 2000, less the amount of the temporary supplemental benefit as set forth in Subsection 3.19.c.
11. All Pensioners and Beneficiaries whose Annuity Starting Dates are on or before October 1, 2001, and whose pensions are in pay status (not deceased or suspended) as of October 31, 2001, will receive a non-recurring benefit supplement equal to one month's benefit as of November 1, 2001, less the amount of the temporary supplemental benefit as set forth in Subsection 3.19.c.

* * * * *

The undersigned Chairman and Co-Chairman of the Board of Trustees of the Laborers Pension Trust Fund for Northern California hereby certify that at a meeting of the Board of Trustees held on December 9, 2014, the Pension Plan of the Laborers Pension Trust Fund for Northern California Restated Effective June 1, 2014 was adopted pursuant to the authority given to the Board by Section 12 of Article IV of the Trust Agreement dated August 2, 1963 establishing the Fund as amended.

Executed this 13th day of January, 2015.

/s/ _____
Oscar De La Torre, Chairman

/s/ _____
Byron C. Loney, Co-Chairman