

**STEAMFITTERS LOCAL 449
PENSION PLAN**

SUMMARY PLAN DESCRIPTION

TABLE OF CONTENTS

Section 1	About This Summary Plan
Section 2	General Administration Information
Section 3	Becoming A Participant In The Plan
Section 4	Earning Plan Benefits/Years Of Participation
Section 5	Vesting/Years of Service
Section 6	Your Martial Status/Eligible Spouses
Section 7	Unreduced Retirement Pension
Section 8	Reduced Retirement Pension
Section 9	Deferred Vested Pension
Section 10	Form of Payment
Section 11	Disability Benefits
Section 12	Death Benefits
Section 13	Claims
Section 14	Qualified Domestic Relations Orders
Section 15	Suspension of Pension
Section 16	Circumstances Which May Result In Disqualification, Ineligibility, Denial, Loss, Forfeiture Or Suspension of Benefits
Section 17	Miscellaneous Information
Section 18	Contributions To The Plan
Section 19	Plan Termination Insurance
Section 20	U.S. Department of Labor Statement of ERISA Rights
APPENDIX A	50% Qualified Joint & Survivor Reduction Percentages
APPENDIX B	100% Joint & Survivor Reduction Percentages

Section 1
ABOUT THIS SUMMARY PLAN DESCRIPTION

The Board of Trustees is pleased to provide you with this booklet describing your benefits under the Steamfitters Local 449 Pension Plan.

This booklet is called a Summary Plan Description. It introduces the Plan to you and answers the most frequently asked questions about it. Keep the booklet in a safe place and refer to it whenever you have questions about the Plan. If you still have questions after reading the booklet, contact the Contract Administrator. You may also contact the Contract Administrator to find out whether the Plan has been amended to change any feature described in this Summary Plan Description.

The booklet is only a summary of the Plan as amended through and in effect on January 1, 2004. It does not give full details, nor does it cover all technical aspects of the Plan that may affect your right to participate in, or to receive benefits under, the Plan. The complete terms of the Plan are contained in the legal documents that establish the Plan and the related trust fund. If there is any inconsistency between the legal plan documents and this Summary Plan Description, the legal plan documents and not this Summary Plan Description will control. Only the Board of Trustees may interpret the legal plan documents, and no other person has the authority to interpret the legal plan documents or to make any representations regarding the Plan.

You, your beneficiaries and your personal representatives may examine the legal plan documents during regular business hours or by appointment in the office of the Contract Administrator. You can receive copies of the legal plan documents for a reasonable charge, upon written request made to the Contract Administrator.

Section 2
GENERAL ADMINISTRATIVE INFORMATION

Plan Name:

Steamfitters Local 449 Pension Plan.

Type of Plan:

The Plan is a multiemployer, defined benefit pension plan providing retirement, disability and death benefits.

Plan Identification Numbers:

The employer identification number assigned to the Plan by the Internal Revenue Service is 25-6032401. The plan identification number assigned to the Plan by the Board of Trustees is 001.

Operation and Administration of the Plan:

The operation and administration of the Plan is the responsibility of the Board of Trustees of the Steamfitters Local 449 Pension Fund, with offices located at 1517 Woodruff Street, Pittsburgh, Pennsylvania 15220. Telephone: 412-481-0300. Toll Free: 888-355-5665.

The members of the Board of Trustees are:

Union Trustees:

Gary J. Steigerwald
Steamfitters Local 449
1517 Woodruff Street
Pittsburgh, PA 15220

Kenneth J. Broadbent
Steamfitters Local 449
1517 Woodruff Street
Pittsburgh, PA 15220

Richard G. King
c/o Steamfitters Local 449
1517 Woodruff Street
Pittsburgh, PA 15220

James McPeak
c/o Steamfitters Local 449
1517 Woodruff Street
Pittsburgh, PA 15220

Employer Trustees:

Regis Claus
Mechanical Contractors Assn. of
Western Pennsylvania, Inc.
5131 Cypress Street
Pittsburgh, PA 15224

Ross E. Fazio
Fazio Mechanical Services
56th & Harrison Streets
Pittsburgh, PA 15201

Dan Whalen
Q-Dot, Inc.
3046 Penn Avenue
Pittsburgh, PA 15201

Anthony Scalise
Scalise Industries
PO Box 611
Lawrence, PA 15053

The Board of Trustees has named Frank M. Vaccaro & Associates, Inc., located at 1517 Woodruff Street, Pittsburgh, Pennsylvania 15220 as the Contract Administrator of the Plan. The Contract Administrator's telephone number is 412-481-0300. The Toll Free number is 888-355-5665.

Name and Address of Union and Employer Associations:

United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, Steamfitters Local Union No. 449 located at 1517 Woodruff Street, Pittsburgh, Pennsylvania 15220, representing the employees.

The Mechanical Contractors Association of Western Pennsylvania, Inc. located at 5131 Cypress Street, Pittsburgh, Pennsylvania 15224, representing the most significant group of employers.

Upon written request, participants and beneficiaries may receive information from the Contract Administrator as to whether a particular employer or employee organization is a sponsor of the Plan and, if the employer or employee organization is a plan sponsor, the sponsor's address.

Collective Bargaining Agreements and Contributions:

Parties to the Collective Bargaining Agreement relating to the Plan are Steamfitters Local Union No. 449 and the contributing employers who are either parties represented by the Mechanical Contractors Association of Western Pennsylvania, Inc. or parties by direct representation. The Collective Bargaining Agreement contains provisions providing for the rate of employer contributions to the Pension Fund. A copy of the Collective Bargaining Agreement is available from the Contract Administrator. A copy is also available for examination by participants and beneficiaries at the offices of Steamfitters Local Union No. 449.

Funding Medium:

The Steamfitters Local 449 Pension Fund is the funding medium used to accumulate assets and to provide benefits.

Plan's Fiscal Year:

January 1 - December 31

Legal Counsel:

Jeffrey J. Leech, Esquire
Tucker Arensberg, P.C.
1500 One PPG Place
Pittsburgh, Pennsylvania 15222

Agent for Service of Legal Process:

The Plan's legal counsel is designated as agent for service of legal process upon the Plan. Legal process may also be served upon any Plan Trustee.

Fund Auditor:

F.E. McElhaney
McElhaney & DiClaudio, P.C.
1725 Washington Rd, Suite 202
Pittsburgh, PA 15241

Section 3

BECOMING A PARTICIPANT IN THE PLAN

Eligibility Requirements

You are eligible to participate in the Plan if you work within the territorial jurisdiction of Steamfitters Local Union No. 449 and your work is covered by a collective bargaining agreement that requires contributions to be made by your employer to the Pension Fund.

You may also be eligible to participate in the Plan if your work is not covered by a collective bargaining agreement but your employer signs a participation agreement with the Trustees that your employer to make contributions to the Pension Fund on your behalf. (This category includes persons employed by the Union.)

When You Become A Participant

You will enter the Plan as a Participant as of the first date upon which you perform service with an employer in *Covered Employment*. "*Covered Employment*" means work for which you are paid or entitled to be paid by your employer and for which your employer is obligated to make contributions to the Pension Fund on your behalf.

You are not required to receive credit for any minimum period of service in *Covered Employment* in order to enter the Plan. There is no minimum age requirement to enter the Plan.

Restrictions On Participation

You are not eligible to participate in the Plan if you were at any time covered by a terminated retirement plan (other than a multiemployer plan) funded by your employer if the contributions or benefits which may be provided to you under the terminated plan and under this Plan exceed certain maximum limits imposed by federal law.

If your work for the employer is not covered by a collective bargaining agreement, you may be ineligible to participate in the Plan unless your employer can meet certain coverage requirements imposed by the Internal Revenue Code.

If you think that either or both of these special situations may apply to you, contact the Contract Administrator for more information.

When Your Participation Ends

Your participation in the Plan will terminate on the date on which your Covered Employment ends because of retirement, death, disability or other reasons.

Participation Upon Reemployment

If you leave Covered Employment and your participation in the Plan ends, you will again become a Participant in the Plan as of the date you return to work in Covered Employment, assuming you meet the Plan's eligibility requirements for participation.

Section 4

EARNING PLAN BENEFITS/YEARS OF PARTICIPATION

Your benefits under the Plan are based on:

- Your Credited Hours for each Plan Year you earn a benefit; and
- The Plan's monthly benefit factor in effect at the time you are credited with the Credited Hours.

Prior to January 1, 1997, you earn a monthly pension benefit for each Plan Year in which you are credited with a Year of Participation. Beginning January 1, 1997, you earn a monthly pension benefit for each Plan Year in which you are credited with any number of Credited Hours. The amount of the monthly pension benefit you earn for each such Plan Year is equal to the monthly benefit factor in effect for the Plan Year multiplied by your Credited Hours for the Plan Year.

Your total monthly pension benefit (at the age you can receive an unreduced retirement pension) equals the sum of the separate monthly pension benefit amounts you earned in each of these Plan Years.

Your total monthly pension benefit was increased by \$20.00 on December 31, 1995 if you were a Participant or former Participant on that date, by an additional \$20.00 on December 31, 1997 if you were a Participant or former Participant on that date, and by an additional \$20.00 on December 31, 2000 if you were a Participant or former Participant on that date. *(Note: Retired participants are not eligible for these increases for participants and former participants. Instead, retired participants received a \$20.00 monthly pension increase if receiving a pension benefit on December 1, 1995, and an additional \$20.00 monthly pension increase if receiving a pension benefit on December 1, 1997. Also, retired participants received a \$500.00 single payment if receiving a pension benefit on December 31, 2000.)*

Years of Participation

You are credited with a "Year of Participation" under the Plan for each Plan Year in which you are credited with 501 or more Credited Hours in Covered Employment within the Plan Year. *(Note: For Plan Years beginning before January 1, 1989, you were credited with Years of Participation in accordance with the plan provisions in effect for such prior Plan Years. Contact the Contract Administrator for information concerning such prior provisions.)*

You can not be credited with more than one Year of Participation for any Plan Year, regardless of the number of Credited Hours credited to you in the Plan Year.

Credited Hours

"Credited Hours" are used to determine whether you are credited with a Year of Participation for a Plan Year and the amount of the monthly pension benefit you earn for a Plan Year. You are credited with one "Credited Hour" for each clock hour for which you are paid or entitled to be paid for work in Covered Employment.

Reciprocal Hours

Work you perform in jurisdictions outside the territorial jurisdiction of Steamfitters Local Union No. 449 does not qualify as Covered Employment. However, under certain circumstances you are credited with Credited Hours under the Steamfitters Local 449 Pension Fund for work you perform in a foreign jurisdiction.

If you work in a foreign jurisdiction on or after January 1, 1995 and participate in a foreign defined benefit pension fund that remits contributions to the Steamfitters Local 449 Pension Fund under a Reciprocal Agreement, you are credited with Credited Hours under the Steamfitters Local 449 Pension Fund for the work you perform in the foreign jurisdiction. The number of your Credited Hours under the Steamfitters Local 449 Pension Fund for your work in the foreign jurisdiction will not necessarily equal the number of clock hours you work in the foreign jurisdiction. Your Credited Hours under the Steamfitters Local 449 Pension Fund are determined by dividing the amount of the reciprocal contributions received from the foreign pension fund by the hourly rate for employer contributions to the Steamfitters Local 449 Pension Fund as specified in the collective bargaining agreement in effect at the time the contributions are received by the Steamfitters Local 449 Pension Fund.

For example, assume you worked 150 hours in March 1997 in the jurisdiction of a foreign defined benefit pension fund that remits contributions to the Steamfitters Local 449 Pension Fund under a Reciprocal Agreement. Assume further that the hourly rate for employer contributions at that time under the Steamfitters Local 449 Pension Fund was \$1.50. The number of Credited Hours you are credited with under the Steamfitters Local 449 Pension Plan for the 150 hours you worked in March 1997 will depend upon the total reciprocal contributions received by the Steamfitters Local 449 Pension Fund for March 1997 as follows:

- If the foreign pension fund remitted contributions at an hourly rate of \$0.75, and the Local 449 Fund received a total of \$112.50 of reciprocal contributions for your 150 hours worked, you would be credited with 75 Credited Hours under the Local 449 Fund. The 75 Credited Hours is determined by dividing the total of \$112.50 of contributions received by the Local 449 Fund from the foreign pension plan by the \$1.50 required hourly rate for employer contributions.
- If the foreign pension fund remitted contributions at an hourly rate of \$1.50, and the Local 449 Fund received a total of \$225.00 of reciprocal contributions for your 150 hours, you would be credited with 150 Credited Hours under the Local 449 Fund. The 150 Credited Hours is determined by dividing the total of \$225.00 of contributions received by the Local 449 Fund from the foreign pension plan by the \$1.50 required hourly rate for employer contributions.
- If the foreign pension fund remitted contributions at an hourly rate of \$2.25, and the Local 449 Fund received a total of \$337.50 of reciprocal contributions for your 150 hours worked, you would be credited with 225 Credited Hours under the Local 449 Fund. The 225 Credited Hours is determined by dividing the total of \$337.50 of contributions received by the Local 449 Fund from the foreign pension plan by the \$1.50 required hourly rate for employer contributions.

Other Credited Hours

If you are absent from Covered Employment on military leave under the Uniformed Services Employment and Reemployment Rights Act of 1994 (or applicable prior federal law), you will be credited with Credited Hours for such period(s) of absence to the extent required by applicable federal law, if you comply with all of the requirements of federal law in order to be entitled to reemployment and other rights under such laws, and you return to Covered Employment within the period prescribed by law.

Monthly Pension Benefit Factors

The following monthly pension benefit factors are used to calculate the monthly pension benefit you earn for each Plan Year:

Plan Years beginning on and after January 1, 2001	\$.062 per Credited Hour in <i>Covered Employment</i> credited for the Plan Year
Plan Years beginning on and after January 1, 1999 and before January 1, 2001	\$.052 per Credited Hour in <i>Covered Employment</i> credited for the Plan Year
Plan Year beginning on January 1, 1998	\$.046 per Credited Hour in <i>Covered Employment</i> credited for the Plan Year
Plan Years beginning on and after January 1, 1995 and before January 1, 1998	\$.035 per Credited Hour in <i>Covered Employment</i> credited for the Plan Year
Plan Years beginning on and after January 1, 1993 and before January 1, 1995	\$.03 per Credited Hour in <i>Covered Employment</i> credited for the Plan Year
Plan Years beginning on and after January 1, 1990 and before January 1, 1993	\$2.60 per full 100 Credited Hours in <i>Covered Employment</i> credited for the Plan Year
Plan Years beginning on and after January 1, 1987 and before January 1, 1990	\$2.40 per full 100 Credited Hours in <i>Covered Employment</i> credited for the Plan Year

(Note: Contact the Contract Administrator for information concerning the monthly benefit factors applicable for Plan Years before 1987.)

Examples

Assume that you work in *Covered Employment* from 1987 through 2001 and are credited with 2000 Credited Hours in each Plan Year:

- Each plan year, you will earn a monthly plan benefit based on your 2000 Credited Hours for the Plan Year and the monthly pension factor for the Plan Year. The amount you earn for each plan year is shown in the column below titled "Pension Benefit Earned for Plan Year."
- Your total monthly pension benefit under the Pension Plan is equal to the sum of the separate pension benefit amounts you earn in each of the Plan Years. This is shown in the column below titled "Total Benefit." At the end of 2001 plan year, your total monthly pension benefit under the Plan would be equal to \$1,114.00.

Plan Year	Credited Hours	Monthly Pension Factor for Plan Year	Pension Benefit Earned for Plan Year	Total Benefit
1987	2000	\$2.40 per 100 Credited Hours	$\$2.40 \times 20 = \48.00	\$48.00
1988	2000	\$2.40 per 100 Credited Hours	$\$2.40 \times 20 = \48.00	\$96.00
1989	2000	\$2.40 per 100 Credited Hours	$\$2.40 \times 20 = \48.00	\$144.00
1990	2000	\$2.60 per 100 Credited Hours	$\$2.60 \times 20 = \52.00	\$196.00
1991	2000	\$2.60 per 100 Credited Hours	$\$2.60 \times 20 = \52.00	\$248.00
1992	2000	\$2.60 per 100 Credited Hours	$\$2.60 \times 20 = \52.00	\$300.00
1993	2000	\$.03 per Credited Hour	$\$.03 \times 2000 = \60.00	\$360.00
1994	2000	\$.03 per Credited Hour	$\$.03 \times 2000 = \60.00	\$420.00
1995	2000	\$.035 per Credited Hour	$\$.035 \times 2000 = \70.00	\$490.00
12-31-95	N/A	Ad Hoc Benefit Increase	\$20.00	\$510.00
1996	2000	\$.035 per Credited Hour	$\$.035 \times 2000 = \70.00	\$580.00
1997	2000	\$.035 per Credited Hour	$\$.035 \times 2000 = \70.00	\$650.00
12-31-97	N/A	Ad Hoc Benefit Increase	\$20.00	\$670.00
1998	2000	\$.046 per Credited Hour	$\$.046 \times 2000 = \92.00	\$762.00
1999	2000	\$.052 per Credited Hour	$\$.052 \times 2000 = 104.00$	\$866.00
2000	2000	\$.052 per Credited Hour	$\$.052 \times 2000 = 104.00$	\$970.00
12-31-00	N/A	Ad Hoc Benefit Increase	\$20.00	\$990.00
2001	2000	\$.062 per Credited Hour	$\$.062 \times 2000 = 124.00$	\$1,114.00

As a second example, assume that you work in *Covered Employment* from 1997 through 2001 and are credited with 2000 Credited Hours in each Plan Year. At the end of the 2001 plan year, your total monthly pension benefit would be \$534.00 as follows.

Plan Year	Credited Hours	Monthly Pension Factor for Plan Year	Pension Benefit Earned for Plan Year	Total Benefit
1997	2000	\$.035 per Credited Hour	\$.035 x 2000 = \$70.00	\$70.00
12-31-97	N/A	Ad Hoc Benefit Increase	\$20.00	\$90.00
1998	2000	\$.046 per Credited Hour	\$.046 x 2000 = \$92.00	\$182.00
1999	2000	\$.052 per Credited Hour	\$.052 x 2000 = 104.00	\$286.00
2000	2000	\$.052 per Credited Hour	\$.052 x 2000 = 104.00	\$390.00
12-31-00	N/A	Ad Hoc Benefit Increase	\$20.00	\$410.00
2001	2000	\$.062 per Credited Hour	\$.062 x 2000 = 124.00	\$534.00

Breaks in Service

If you lose your Years of Service under the Plan because of a One-Year Break in Service before becoming vested in your monthly pension benefit, you will also lose your pre-break Years of Participation and earned monthly pension benefit. Once vested in your monthly pension benefit, you cannot lose your pre-break Years of Service, Years of Participation or earned monthly pension benefit. (See Section 5 for an explanation of vesting and Breaks in Service.)

Section 5 VESTING/YEARS OF SERVICE

Your earned benefits under the Plan must be "vested" in order for you to receive any benefits under the Plan. You will not be entitled to receive any benefits from the Plan if your earned benefits are not vested, even though you may be a Participant in the Plan.

If employed in Covered Employment (or Contiguous Noncovered Employment) on or after January 1, 1997, you will be fully (100%) vested in your earned benefits when you are credited with five Years of Service under the Plan. *(Note: If your work for your employer is not covered by a collective bargaining agreement or if you have not worked in Covered Employment since January 1, 1997, contact the Contract Administrator for information concerning the vesting rules that apply to your situation.)*

You are also fully vested in your earned benefits if you are an active Participant in the Plan and you attain age 65, regardless of the number of Years of Service credited to you under the Plan. *(Note: If you entered the Plan as a Participant after your 60th birthday, you will not be fully vested in your earned benefit until the fifth anniversary of the date you entered the Plan as a Participant.)*

Years of Service

You are credited with one Year of Service for each Plan Year in which you are credited with at least 1,000 Hours of Service. You can not be credited with more than one Year of Service for any single Plan Year.

Hours of Service

You are credited with one Hour of Service for each clock hour for which you are paid or entitled to payment for the performance of duties for your employer.

You are also credited with one Hour of Service for each hour for which you are *paid, or entitled to payment*, during a period in which no duties are performed due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence (up to a maximum of 501 Hours of Service for any single continuous period during which no duties are performed).

You may also be credited with Hours of Service for hours for which you are entitled to an award of back pay.

If you transfer to or from employment with your employer that is not *Covered Employment*, Hours of Service credited for this employment, called "Contiguous Noncovered Employment" may be credited for vesting purposes under the Plan. If you believe that this situation may apply to you, contact the Contract Administrator for more information concerning vesting service credit for Contiguous Noncovered Employment.

Breaks in Service

If you are *not* vested in your monthly pension benefit under the Plan when you incur a "One-Year Break in Service," you will lose all of your pre-break Years of Service, unless you complete a Year of Service before you incur five consecutive One-Year Breaks in Service. Once vested in your monthly pension benefit, you cannot lose your pre-break Years of Service. *(Different rules applied before July 1, 1997. Contact the Contract Administrator for information.)*

You incur a "One-Year Break in Service" in the Plan Year in which you are first credited with less than 501 Hours of Service. You also incur a One-Year Break in Service for each subsequent Plan Year in which you are credited with less than 501 Hours of Service.

However, special Break in Service rules apply in the following circumstances:

- For the purpose of determining whether you have a One-Year Break in Service, you will be credited with up to 501 Hours of Service for any absence from work because of your pregnancy, the birth of your child, the placement of a child with you for adoption, or for caring for such child for a period immediately following such birth or placement. These Hours of Service will be credited in the first Plan Year of your absence if necessary to prevent a One-Year Break in Service in that Plan Year. Otherwise, these Hours of Service will be credited in the following Plan Year.
- A leave of absence from employment under the Family and Medical Leave Act of 1993, or for military leave under the Uniformed Services Employment and Reemployment Rights Act of 1994 (or applicable prior federal law) will not result a Break in Service, if you comply with all of the requirements of federal law in order to be entitled to reemployment and other rights under such laws.
- You will not incur a One-Year Break in Service for any Plan Year after January 1, 1976 in which you have at least 501 Hours of Service in any employment covered by a collective bargaining agreement with Steamfitters Local Union No. 449, such as employment covered by the collective bargaining agreement with Allegheny County and the City of Pittsburgh School Board. This provision applies only if you provide a record of these Hours of Service for the Plan Year, or if not available, evidence of at least three months of full-time employment during the Plan Year while covered by the collective bargaining agreement.
- You will not incur a One-Year Break in Service for any absence from work due to incarceration for a non-work or Plan related crime.
- Effective January 1, 2003, if you incur a One Year Break in Service and lose your pre-break Years of Service because you are unable to work due to an occupational injury incurred on or after January 1, 1994 while in Covered Employment under the Plan covered by the collective bargaining agreement, your pre-break Years of Service will be restored if you return to or are in Covered Employment under the Plan not covered by the collective bargaining agreement on or after January 1, 2003 and complete five Years of Service.

Reciprocal Hours

If you work in a jurisdiction outside the territorial jurisdiction of Steamfitters Local Union No. 449 on or after July 22, 2003 and participate in a foreign defined benefit pension fund that remits contributions to the Steamfitters Local 449 Pension Fund under a reciprocal agreement, you are credited with one Hour of Service under the Plan for each clock hour for which contributions are remitted by the foreign pension fund to the Steamfitters Local 449 Pension Fund for the work you perform in the foreign jurisdiction.

Special Service Credit

Effective July 22, 2003, the Plan signed the Optional Addendum for Pro Rata/Partial Pensions to the United Association Pension Fund Reciprocal Agreement. As a result special service credit rules apply if you worked for a foreign defined benefit fund that has also signed the Optional Addendum (called a "Signatory Pension Fund") and your years of employment in the industry are divided between this plan and the Signatory Pension Fund. These rules can help you qualify for a pension under this Plan if you have not otherwise been credited with a sufficient number of Years of Service in order to be "vested" and eligible for a pension under the Plan.

This special service credit rules apply if:

- You have been (or were) credited with at least one Year of Service under this Plan.
- You have been (or were) credited with at least one year of future (contributory) service under a Signatory Pension Fund; and
- During at least one of the five calendar years before the effective date of your pension, you have been credited with a partial or full year of future (contributory) service under any foreign defined benefit pension fund that has signed the United Association Pension Fund Reciprocal Agreement, or you have been credited with a Year of Service under this Plan.

The determination of whether the special service credit rules apply is made after the reciprocity of all contributions under all reciprocal agreements (and does not take into account any special service credit due under the Optional Addendum or any similar service credit).

If the special service credit rules apply, the clock hours (contributory) service you have been credited with under a Signatory Pension Fund will be credited under this Plan to determine your Years of Service under this Plan:

- These Hours of Service include hours credited before the July 22, 2003 effective date of the special service credit rules.
- These Hours of Service are used to determine whether you have incurred a Break in Service under the Plan and whether your Years of Service credited under this Plan before a Break in Service are counted under this Plan.

These are limitations on the crediting hours of future (contributory) service under a Signatory Pension Fund under the special service credit rules:

- These Hours of Service include only the hours remaining after the reciprocity of all contributions under all reciprocal agreements (and does not take into account service credit).
- These Hours of Service are credited only to determine your Years of Service under this Plan and whether you have incurred a Break in Service under this Plan. These Hours of Service are not credited to determine the amount of your pension benefits under this Plan.
- These Hours of Service do not include hours credited under a Signatory Pension Fund if payment of your pension under that Signatory Pension Fund began before July 22, 2003.
- These Hours of Service apply only to pension first paid on or after July 22, 2003.
- These Hours of Service do not include hours that are duplicative under this Plan and a Signatory Pension Fund or under more than one Signatory Pension Fund.
- These Hours of Service do not include hours credited under a Signatory Pension Fund after the effective date for the termination of the Optional Addendum.

Note:As noted above, one of the requirements to have future (contributory) service under a Signatory Pension Fund credited as Years of Service under this Plan is that you be credited with a partial or full Year of Service under a UA Reciprocal Pension Fund or with a Year of Service under this Plan during one of the five calendar years before the effective date of your pension. This means that your failure to timely apply for and receive a pension could result in your losing your Years of Service credit and eligibility for a vested pension under this Plan.

For example, assuming that you have Hours of Service under a Signatory Pension Fund eligible for credit as Years of Service under this Plan. Assume that you are last credited with a Year of Service under this Plan or under a UA Reciprocal Pension Fund in 2004. In such case, payment of your pension under this Plan or under the UA Reciprocal Pension Fund must begin by the end of 2009 in order for the Hours of Service under the Signatory Pension Fund to be credited as Years of Service under this Plan. If payment of pension does not begin before the end of 2009, your Hours of Service under the Signatory Pension Fund would

not be credited as Years of Service under this Plan. This could result in you not being vested and eligible for a pension under this Plan.

Note: You must notify the Plan that there are hours of future (contributory) service under a Signatory Pension Fund that are eligible for credit under the Plan under the special service credit rules. The eligible hours of future (contributory) service will be credited only upon the Plan's receipt of relevant records of such hours from the Signatory Pension Fund.

Section 6
YOUR MARTIAL STATUS/ELIGIBLE SPOUSES

The form and amount of your benefits under the Plan will be affected by your marital status when payment of your pension benefits begin or at your death.

When payment of your pension begins, you are considered married for purposes of the Plan if you have been married under applicable state law throughout the one-year period ending on the date payment of your pension is scheduled to begin. The person to whom you are legally married for such one-year period is your "Eligible Spouse." If you marry during that one-year period, contact the Contract Administrator for information concerning special rules that determine your marital status for Plan purposes.

In the event of your death, you are considered married for purposes of the Plan if you have been married under applicable state law throughout the one-year period ending on the date of your death. The person to whom you were legally married for such one-year period is your "Eligible Spouse."

If you are not legally married to another person throughout the one-year periods described above, you will be treated as unmarried for purposes of the Plan.

If you are legally divorced and the Plan has been served with a Qualified Domestic Relations Order which governs the division of Plan benefits between you and your ex-spouse, you will be treated as a married Participant to the extent required to carry out the provisions of the Qualified Domestic Relations Order.

Section 7 UNREDUCED RETIREMENT PENSION

Eligibility Requirements

Beginning January 1, 2002, you may retire from *Covered Employment* (and/or Contiguous Noncovered Employment) and receive an Unreduced Retirement Pension if:

- you have attained age 65 (and if you entered the Plan as a Participant after your 60th birthday, you have also attained the fifth anniversary of the date you entered the Plan as a Participant);
- OR
- you have attained age 62 and are credited with at least 5 Years of Service under the Plan.

You are also eligible for an Unreduced Retirement Pension if you attain age 62 while in receipt of a Disability Benefit under the Plan. (See Section 11 for information on the Disability Benefit.)

Amount of Pension

The amount of your monthly pension will be equal to the sum of the separate monthly pension benefit amounts you earned in each of the Plan Years. (See Section 4.)

Note that the amount of your earned monthly pension is reduced if paid in a form of payment other than the Single Life form of payment. (See Section 10 for information on the forms of payment for your Pension.)

When Payment of Pension Begins

Payment of your Unreduced Retirement Pension can begin on the first day of any calendar month following your retirement. You must apply for your Pension before payment can begin.

The effective date for the payment of your Unreduced Retirement Pension will be the first day of the calendar month following the date you apply for the Pension (but not earlier than the date you are first eligible to begin to receive payment of the Pension under the Plan.). However, the actual payment of your Pension will be delayed if (1) you file the application too late in a calendar month to permit payment to begin on the payment effective date or (2) the payment effective date falls within the 7-day period following the date you are provided with the information regarding the payment of your pension. If the actual payment is delayed, the Pension will be paid retroactively to its payment effective date.

Federal law generally requires that certain information be provided to you no less than 30 days and no more than 90 days before the scheduled date for the payment of your pension. You may waive the 30-day period by applying for your pension during that period.

Whether or not you apply for your benefits, your monthly pension benefit payments must begin by April 1 of the year following the later of the year in which you attain age 70½ or the year in which you retire.

Section 8
REDUCED RETIREMENT PENSION

Eligibility Requirements

Beginning January 1, 2002, you may retire from *Covered Employment* (and/or Contiguous Noncovered Employment) and receive a Reduced Retirement Pension if you have attained age 55, but not age 62, and are credited with at least 10 Years of Service under the Plan.

Amount of Pension

The amount of your monthly pension will be equal to the sum of the separate monthly pension benefit amounts you earned in each of the Plan Years (*See Section 4*), but reduced by one-quarter of one percent (.25%) for each month by which the scheduled payment date for your Reduced Retirement Pension precedes the month following the month in which your 62nd birthday occurs.

Example

For example, assume that you retire in September 2002 at age 55, and the total amount of your earned monthly pension is \$700.00 (if paid at age 62).

If you wait until age 62 to begin to receive your pension, your monthly pension would be \$700.00.

If you elect to have payment begin at your retirement at age 55, your monthly pension would be reduced by .25% for each of the 84 months by which the starting date for your pension precedes the month following the month in which you would attain age 62. Thus, your monthly pension would be reduced by 21% (.25% x 84 months), or by \$147.00 (\$700.00 x 21%), and you would receive a reduced monthly pension of \$553.00 (\$700.00 - \$147.00)

Note that the amount of your earned monthly pension is also reduced if paid in a form of payment other than the Single Life form of payment. (*See Section 10 for information on the forms of payment for your Pension.*)

When Payment of Pension Begins

Payment of your Reduced Retirement Pension can begin on the first day of any calendar month following your retirement. You must apply for your Pension before payment can begin.

The effective date for the payment of your Unreduced Retirement Pension will be the first day of the calendar month following the date you apply for the Pension (but not earlier than the date you are first eligible to begin to receive payment of the Pension under the Plan.). However, the actual payment of your Pension will be delayed if (1) you file the application too late in a calendar month to permit payment to begin on the payment effective date or (2) the payment effective date falls within the 7-day period following the date you are provided with the information regarding the payment of your pension. If the actual payment is delayed, the Pension will be paid retroactively to its payment effective date.

Federal law generally requires that certain information be provided to you no less than 30 days and no more than 90 days before the scheduled date for the payment of your pension. You may waive the 30-day period by applying for your pension during that period.

Whether or not you apply for your benefits, your monthly pension benefit payments must begin by April 1 of the year following the later of the year in which you attain age 70½.

Section 9 DEFERRED VESTED PENSION

Eligibility Requirements

You will be eligible for a Deferred Vested Pension if:

- Your *Covered Employment* (and/or Contiguous Noncovered Employment) has terminated and you are not eligible for a retirement pension or a disability benefit; and
- You are credited with enough Years of Service under the rules of the Plan to be "vested" in your earned benefits as described in Section 5.

Note that you are eligible for a Deferred Vested Pension only if your employment terminates after you are vested in your benefits, but before you are eligible for an Unreduced Retirement Pension (See Section 7), a Reduced Retirement Pension (See Section 8) or a Disability Benefit (See Section 10).

The payment date(s) and amount of your Deferred Vested Pension depends upon the number of your Years of Service and Years of Participation under the Plan when your *Covered Employment* (and/or Contiguous Noncovered Employment) terminates. This is explained below. (Different rules apply if your *Covered Employment* (and/or *Contiguous Noncovered Employment*) terminated before January 1, 2002. Contact the Contract Administrator for information.)

5 but less than 10 Years of Service at Termination

If you have been credited with at least 5 Years of Service under the Plan, but have not been credited with at least 10 Years of Service under the Plan, payment of your Deferred Vested Pension may begin on the first day of any calendar month following your attainment of age 62.

The amount of your monthly pension will be equal to the sum of the separate monthly pension benefit amounts you earned in each of the Plan Years. (See Section 4.) However, if payment begins before age 65, the amount of your pension will be reduced by one-quarter of one percent (.25%) for each month by which the starting date for your pension precedes the month following the month in which your 65th birthday occurs.

For example, assume that your Covered Employment terminates in 2002 when you are age 45. Assume further that you have 5 Years of Service at your termination and that the total amount of your earned monthly pension is \$175.00 (if paid at age 65):

- If you wait until age 65 for payment to begin, your monthly pension would be equal to \$175.00.
- If you elect to have payment begin when you are age 62 (which is the earliest payment date for your Deferred Vested Pension), your monthly pension would be reduced by .25% for each of the 36 months by which the starting date for your pension precedes the month following the month in which you would attain age 65. Thus, your monthly pension would be reduced by 9% (.25% x 36 months), or by \$15.75 (\$175.00 x 9%), and you would receive a reduced monthly pension of \$159.25 (\$175.00 - \$15.75).

Note that the amount of your monthly pension is also reduced if paid in a form of payment other than the Single Life form of payment. (See Section 10 for information on the forms of payment for your Pension.)

10 Years of Service at Termination

If you have been credited with at least 10 Years of Service under the Plan, payment of your Deferred Vested Pension may begin on the first day of any calendar month following your attainment of age 55.

The amount of your monthly pension will be equal to the sum of the separate monthly pension benefit amounts you earned in each of the Plan Years. (See Section 4.) However, if payment begins before age 62, the amount of your pension will be reduced by one-quarter of one percent (.25%) for each month by which the starting date for your pension precedes the month following the month in which your 62nd birthday occurs.

For example, assume that your Covered Employment terminates in 2002 when you are age 45. Assume further that you have 10 Years of Service at your termination and that the total amount of your earned monthly pension is \$350.00 (if paid at age 62):

- If you wait until age 62 for payment to begin, your monthly pension would be equal to \$350.00.
- If you elect to have payment begin when you are age 55 (which is the earliest payment date for your Deferred Vested Pension), your monthly pension would be reduced by .25% for each of the 84 months by which the starting date for your pension precedes the month following the month in which you would attain age 62. Thus, your monthly pension would be reduced by 21% (.25% x 84 months), or by \$73.50 (\$350.00 x 21%), and you would receive a reduced monthly pension of \$276.50 (\$350.00 - \$73.50).

Note that the amount of your monthly pension is also reduced if paid in a form of payment other than the Single Life form of payment. (See Section 10 for information on the forms of payment for your Pension.)

When Payment of Pension Begins

As noted above, payment of your Deferred Vested Pension can begin on the first day of any calendar month following:

- your attainment of age 62 if you have been credited with at least 5 Years of Service (but not 10 Years of Service) under the Plan and;
- your attainment of age 55 if you have been credited with at least 10 Years of Service under the Plan.

The effective date for the payment of your Deferred Vested Pension will be the first day of the calendar month following the date you apply for the Pension (but not earlier than the date you are first eligible to begin to receive payment of the Pension under the Plan). However, the actual payment of your Pension will be delayed if (1) you file the application too late in a calendar month to permit payment to begin on the payment effective date or (2) the payment effective date falls within the 7- day period following the date you are provided with the information regarding the payment of your pension. If the actual payment is delayed, the Pension will be paid retroactively to its payment effective date.

Federal law generally requires that certain information be provided to you no less than 30 days and no more than 90 days before the scheduled date for the payment of your pension. You may waive the 30-day period by applying for your pension during that period.

Whether or not you apply for your benefits, your monthly pension benefit payments must begin by April 1 of the year following the year in which you attain age 70 ½.

Section 10 FORM OF PAYMENT

Married Participants - 50% Qualified Joint and Survivor Normal Form of Payment

If you are married to an Eligible Spouse when payment of your Unreduced, Reduced, or Deferred Vested Pension is scheduled to begin, your Pension is paid in the 50% Qualified Joint and Survivor form of payment.

The 50% Qualified Joint and Survivor form of payment will provide you with a reduced monthly pension from the Pension Fund for as long as you live. Upon your death, your surviving Eligible Spouse will receive 50% of your reduced monthly pension for his or her lifetime. If your Eligible Spouse dies before you, (and if payment of your pension began on or after April 1, 1997), your monthly pension will increase to the amount that would have been payable to you under the Single Life Annuity form of payment. (if payment of your pension began before April 1, 1997, you will continue to receive a reduced pension if your Eligible Spouse dies before you.

For example, assume that you retire at age 62 (after April 1, 1997) with an earned monthly pension of \$700.00 if paid in the Single Life form of payment. Assume further that you are married to an Eligible Spouse age 60. Under the 50% Qualified Joint and Survivor form of payment, your \$700.00 monthly pension would be reduced by 6%, and you would receive a reduced monthly pension of \$658.00 for your lifetime. If you die first, your surviving Eligible Spouse would receive a monthly pension for his or her life equal to 50% of your \$658.00 reduced monthly pension, or \$329.00. If your Eligible Spouse dies before you, your \$658.00 reduced monthly pension will increase to \$700.00.

The amount of the reduction to your monthly pension under the 50% Qualified Joint and Survivor form of payment is based upon your age and your spouse's age when payment of your pension is scheduled to begin. The reduction percentages for the 50% Qualified Joint and Survivor form of payment are set forth in Appendix A.

The Pension Plan subsidizes a part of the cost of providing a monthly pension under the 50% Qualified Joint and Survivor Form of Payment to your Eligible Spouse after your death. Accordingly, even though your monthly pension is reduced under the 50% Qualified Joint and Survivor form of payment, the reduced monthly pension under the 50% Qualified Joint and Survivor Form of payment has a higher actuarial value than the unreduced monthly pension under the Single Life Form of payment.

Married Participants - Optional Forms of Payment

Instead of the 50% Qualified Joint and Survivor form of payment, if married to an Eligible Spouse, you may elect to receive your monthly pension in the Single Life form of payment or (effective July 1, 1998) the 100% Joint and Survivor form of payment. Your election of the Single Life form of payment requires your spouse's consent. Spousal consent is not required for your election of the 100% Joint and Survivor form of payment.

Under the Single Life form of payment, you receive an unreduced monthly pension from the Pension Fund for as long as you live. No pension is payable after your death under the Single Life form of payment. Thus, in the example above, where you retire at age 62 with an earned monthly pension of \$700.00 and with an Eligible Spouse age 60, you could elect to receive your earned monthly pension in the Single Life form of payment with the consent of your Eligible Spouse. If you do so, you would receive an unreduced monthly pension for your life of \$700.00, and no pension would be payable to your Eligible Spouse upon your death.

The 100% Qualified Joint and Survivor form of payment will provide you with a reduced monthly pension from the Pension Fund for as long as you live. Upon your death, your surviving

Eligible Spouse will receive 100% of your reduced monthly pension for his or her lifetime. If your Eligible Spouse dies before you, your monthly pension will increase to the amount that would have been payable to you under the Single Life Annuity form of payment.

Thus, in the example above, where you retire at age 62 with an earned monthly pension of \$700.00 and with an Eligible Spouse age 60, under the 100% Joint and Survivor form of payment, your monthly pension would be reduced by 18%, and you would receive a reduced monthly pension of \$574.00 for your lifetime. If you die first, your surviving Eligible Spouse would receive a monthly pension for his or her life equal to 100% of your \$574.00 reduced monthly pension. If your Eligible Spouse dies before you, your \$574.00 reduced monthly pension will increase to \$700.00.

The amount of the reduction to your monthly pension under the 100% Joint and Survivor form of payment is based on your age and your spouse's age when payment is scheduled to begin. The reduction percentages for the 100% Joint and Survivor form of payment are set forth in Appendix B. Although you receive a reduced monthly pension, the reduced monthly pension you receive under the 100% Joint and Survivor form of payment and the unreduced monthly pension you receive under the Single Life form of payment are of the same actuarial value.

Unmarried Participants

If you are not married to an Eligible Spouse when payment of your Unreduced, Reduced, or Deferred Vested Pension is scheduled to begin, your Pension is paid in the form of a Single Life form of payment.

Under the Single Life form of payment, you receive an unreduced monthly pension from the Pension Fund for as long as you live. No pension is payable after your death under the Single Life form of payment.

Change in Form of Payment

A form of payment cannot be changed after the effective date for the payment of your pension, whether as the result of a change in marital status or for any other reason.

For example, if you are not married when payment of your pension begins in the Single Life form of pension payment, you cannot elect a 50% or 100% Qualified Joint and Survivor form of payment if you later marry. Also, for example, if you are married when payment of your pension begins in the 50% or 100% form of payment, you cannot thereafter elect the Single Life form of payment, even if you and your spouse are divorced after payment of your pension begins.

Small Benefits

If the present value of your Pension does not exceed \$5,000, your benefits will be paid to you in a lump sum payment only.

Section 11 DISABILITY BENEFIT

Eligibility Requirements

You are eligible for a Disability Benefit if:

- your *Covered Employment* terminates before you attain age 62 because of your Total Disability; and
- you are credited with at least 15 Years of Participation under the Plan or at least 5 Years of Service under the Plan.

You will also be eligible for a Disability Benefit if you meet the participation or service requirements described above, and before age 62, you suffer a Total Disability in the two consecutive Plan Years after you leave *Covered Employment* and in which you are charged with Breaks in Service. (See Section 5, *VESTING/YEARS OF SERVICE, Breaks in Service*.)

(Note: If your Covered Employment terminated before January 1, 1997 as the result of a Total Disability, contact the Contract Administrator for information concerning the prior eligibility rules that apply to your situation.)

Total Disability

"Total Disability" means either:

- a condition for which you are granted a final award of disability benefits under the Social Security Act; or
- a condition which will totally prevent you from engaging in any gainful employment and which is expected to continue for the remainder of your life, but only if certified by your attending physician and confirmed by a medical examination by a physician selected by the Trustees.

However, your condition will *not* be considered to be a "Total Disability" if the Trustees determine that it:

- arose from an intentionally self-inflicted injury; or
- was the result of or caused by habitual drunkenness or narcotics addiction; or
- was incurred while you were engaged in a criminal act; or
- arose from service in the armed services and for which you receive a military pension.

Amount of Disability Benefit

The amount of your monthly Disability Benefit will be the same as the sum of the separate monthly pension benefit amounts you earned in each of the Plan Years calculated when *Covered Employment* terminates as a result of Total Disability. (See Section 4).

However, the amount of your monthly Disability Benefit will not be less than \$10.00 times the Years of Participation you are credited with at the time you terminate *Covered Employment* as a result of your Total Disability.

Payment of the Disability Benefit

In most cases, payment of your Disability Benefit will begin as of the first day of the month following the date the Trustees approve your application for a Disability Benefit submitted on an application form available from the Contract Administrator.

However, if you apply for a Disability Benefit after the month in which you become Totally Disabled, your Disability Benefit will be paid retroactively as follows:

- If you submit a Social Security Disability Benefits Award as proof of your Total Disability, you will receive retroactive monthly payments back to the first day of the month following the "Entitlement Date" set forth in your Social Security Award.
- If you submit a physician's statement as proof of your Total Disability (and the medical examination by a doctor selected by the Trustees confirms your Total Disability), you will receive a retroactive payment back to the first day of the month following the date that the physician certifies you were first Totally Disabled (as determined by the Trustees), but with a maximum of six monthly retroactive payments.

If you are eligible for a retroactive payment of your Disability Benefit, your initial monthly Disability Benefit payment will include an additional payment equal to your monthly Disability Benefit times the number of monthly retroactive payments you are eligible to receive.

For example, assume that your application for a Disability Benefit is approved for a December 1 payment and you are eligible for six retroactive monthly payments back to the preceding June. In that case, the monthly Disability Benefit payment made for December will include, in addition to your December monthly payment, the six retroactive monthly Disability Benefit payments for June through November.

Payment of your Disability Benefit will continue until the earliest of your recovery from Total Disability, your attainment of age 62, or your death:

- If you recover from your Total Disability before age 62, you will be eligible for whatever pension (Unreduced, Reduced or Deferred Vested) as your age, Years of Participation and Years of Service then entitle you. *(If you later incur a Total Disability after your recovery, you must again apply for a Disability Benefit and submit evidence of your Total Disability to receive a Disability Benefit.)*
- If your Disability Benefit continues until you attain age 62, you will be eligible to receive an Unreduced Pension at that time. *(See Section 7 for more information.)*
- If you die before age 62 while receiving the Disability Benefit, a Qualified Preretirement Survivor Benefit or Nonspousal Death Benefits will be payable, depending upon whether you have an Eligible Spouse. *(See Section 12 for more information.)*

Coordination with Weekly Sick and Accident Benefits

No Disability Benefit is paid for any month (or portion thereof) that you are eligible to receive weekly sick and accident benefits under the Steamfitters Local 449 Medical and Benefits Fund. Accordingly, if you are eligible for the weekly sick and accident benefits when the Trustees approve your application for a Disability Benefit, payment of your Disability Benefit will not begin until you cease to be eligible for the weekly sick and accident benefits. Also, no retroactive payment of a Disability Benefit will be made for any month (or portion thereof) for which you are eligible for the weekly sick and accident benefits.

Special Lump Sum Disability Benefit for Former Participants

A former Participant is eligible for a special disability benefit if *Covered Employment* terminated before January 1, 1994 and before attaining age 40 on account of total disability for which Social Security disability benefits were awarded and after being credited with a Year of Participation in at least nine of the fifteen years preceding the termination of *Covered Employment*. The amount of the special disability benefit is equal to a refund of employer contributions not in excess of \$3,500.

Section 12 DEATH BENEFITS

Post-Retirement Spousal Death Benefit

If you are married to an Eligible Spouse and your Pension is paid in the 50% Qualified Joint and Survivor or 100% Joint and Survivor form of payment, monthly payments will continue to your surviving Eligible Spouse after your death as described above in Section 10.

For these purposes, the person who is your Eligible Spouse at the time your Pension begins is the person entitled to receive the spousal benefits under the 50% Qualified Joint and Survivor or 100% Joint and Survivor form of payment unless a Qualified Domestic Relations Order states otherwise. (See Section 14, *Qualified Domestic Relations Orders*.)

Qualified Preretirement Survivor Benefit

If you die after becoming vested in your earned benefits (See Section 5) but before payment of your Pension begins, your surviving Eligible Spouse will be entitled to receive monthly payments for his/her lifetime under a Qualified Preretirement Survivor Benefit.

If you die *after* the earliest date on which you could begin to receive a Pension under the Plan, payment of monthly benefits to your surviving Eligible Spouse can begin on the first day of any calendar month following your death. If you die *before* that date, payment of monthly benefits to your Eligible Spouse can begin on the earliest date you could have received a Pension under the Plan, or on the first day of any subsequent calendar month.

The amount of the monthly benefit payable to your Eligible Spouse is the same amount your Eligible Spouse would have received if (1) payment of your pension had begun on the date payment of your spouse's benefit begins and (2) your pension was being paid under the 50% Qualified Joint and Survivor form of payment. However, your spouse's benefit will be determined under the 100% Qualified Joint and Survivor form of payment if an effective election of that form of payment is in effect at your death.

Optional Spousal Lump Sum Death Benefit

Beginning January 1, 1995, your Eligible Spouse who is eligible for monthly payments under a Qualified Preretirement Survivor Benefit may waive the monthly payments and receive a lump sum death benefit equal to the *greater* of:

- The present value of the monthly payments to be made under the Qualified Preretirement Survivor Benefit; or
- The sum of the employer contributions made to the Plan for your benefit on and after January 1, 1970.

This lump sum death benefit can be paid to your Eligible Spouse at any time after your death, whether before or after the earliest date you could receive a Pension under the Plan.

Nonspousal Death Benefits

If the monthly retirement and/or disability benefits paid to you and/or an Eligible Spouse (if any) during your lifetime(s) do not equal or exceed the total employer contributions made to the Plan for your benefit on and after January 1, 1970, the difference will be paid as a lump sum death benefit to the person(s) you name as your Beneficiary(ies) to receive any such death benefits under the rules of the Plan. Such lump sum death benefit will be paid after your death or, in the case of benefits paid to you and/or your Eligible Spouse, after the death of the second person to die.

If you do not designate a Beneficiary to receive the nonspousal death benefits, a beneficiary or beneficiaries will be designated for you under the rules of the Plan in the following order: (1) children; (2) parents; (3) brothers and sisters; or (4) your estate. (Note that this applies only if you do not have a designated Beneficiary at your death. If you have a designated Beneficiary at your death, the nonspousal death benefit will be paid to your designated Beneficiary.)

Beginning January 1, 1995, no nonspousal death benefits will be payable to your designated Beneficiary if your surviving Eligible Spouse waives his/her monthly payments under the Qualified Preretirement Survivor Benefit and elects the optional lump sum death benefit described above.

Retiree Death Benefits

Effective February 1, 2003, if you die after retiring and beginning to receive an Unreduced Retirement Pension, a Reduced Retirement Pension, or a Disability Benefit, the person(s) you name as your beneficiary(ies) will receive a lump sum death benefit of \$9,000.00.

This retiree death benefit is in addition to the death benefits described above, and you may name a separate beneficiary(ies) for the death benefit. If you do not designate a beneficiary to receive this retiree death benefit, a beneficiary or beneficiaries will be designated for you under the rules of the Plan in the following order: (1) spouse; (2) children; (3) parents; (4) brother and sisters; or (5) your estate.

Life Insurance - Steamfitters Local 449 Medical and Benefit Fund

Life insurance benefits may be payable under the Steamfitters Local 449 Medical and Benefits Fund if you are working as an active Steamfitter and eligible for benefits under the Medical and Benefits Fund at your death. The current amount of the life insurance benefits for active participants is \$20,000 if age 65 and younger, \$10,000 if age 66 through 70, and \$5,000 if older than age 70. Details are in the booklet for the Steamfitters Local 449 Medical and Benefit Fund.

Section 13 CLAIMS

Application of Claims Procedures

The claims and appeals procedures described in this Section apply to applications for benefits filed on or after January 1, 2002. (If you applied for a benefit before January 1, 2002, your application will continue to be processed under the claims and appeals procedure previously in effect).

Claims for Benefits

If you wish to apply for a benefit under the Plan, you must complete and return an application form available from the Contract Administrator.

If you apply for a benefit other than a Disability Benefit, in most cases, a decision on your application will be made within 90 days of its receipt. If special circumstances require an extension, written notice of an extension of up to an additional 90 days will be sent to you before the initial 90-day period ends. The notice of extension will indicate the special circumstances for the extension and the date by which a decision is expected.

If you apply for a Disability Benefit, in most cases, a decision on your application will be made within 45 days of its receipt. If special circumstances require an extension, written notice of an extension of up to an additional 30 days will be sent to you before the initial 45-day period ends. If special circumstances require an additional extension, written notice of an extension of up to an additional 30 days will be sent to you before the first 30-day extension period ends. In each case, the notice of extension will indicate the special circumstances for the extension and the date by which a decision is expected. The notice will also explain the eligibility requirements for the Disability Benefit, any unresolved issues that prevent a decision on your application, and any additional information necessary to resolve those issues. If the reason for an extension is your failure to provide information necessary to decide your application, you will be provided with 45 days to provide this information. Until you respond to the request for additional information, the period to make a decision on your application will be suspended.

Denied Claims

If your application for a benefit is denied in whole or in part, you will be sent a written benefit denial that includes:

- the reasons for the denial;
- a reference to the provisions in the Plan on which the denial is based;
- a description of any material or information you must provide to support your application for benefits and an explanation of why it is necessary;
- an explanation of the appeal procedures for review of the denial; and
- a statement of your right to bring a lawsuit under ERISA in the event of an adverse decision upon review of the denial.

If you had applied for a Disability Benefit, the denial notice will also include the following, if applicable:

- If the denial relied on any internal rule, guideline, protocol or other similar criterion, a copy will be included with the denial notice, or the denial notice will tell you how to request a copy free of charge.

- If the denial was based on a medical necessity or experimental treatment or similar exclusion or limit, the denial notice will explain the scientific or clinical judgment for the denial (including how the provisions in the Plan apply to your medical circumstances), or the denial notice will tell you how to request a copy of such an explanation free of charge.

Appeal of Denied Claims

You have the right to appeal any benefit denial to the Board of Trustees by submitting a written appeal letter to the Contract Administrator.

Important: If you applied for a benefit other than a Disability Benefit, the Contract Administrator must receive your appeal letter within 60 days of the date you received the notice of benefit denial. If you applied for a Disability Benefit, the Contract Administrator must receive your appeal letter within 180 days of the date you received the notice of benefit denial. Otherwise, you will generally forfeit your right to have your benefit denial reviewed by the Board of Trustees or to file a lawsuit in court for benefits under the Plan.

Your appeal letter to the Contract Administrator should set forth the reasons why you believe your application for a benefit should not have been denied. You have the right to submit any documents, records or other information you believe have a bearing on your application. Your letter may also include a request to make an oral presentation to the Board of Trustees in support of your appeal.

In preparing your appeal, you have the right to examine documents that are relevant to your application and to receive copies free of charge. To examine these documents or to receive copies, contact the Contract Administrator. Relevant documents for this purpose are any documents, records or information:

- relied on to decide your application;
- submitted, considered or generated in deciding your application, whether or not relied on;
- any rules, guidelines or checklists for the application of the provisions in the Plan; and
- for an appeal relating to a Disability Benefit, any policy statement or guidance concerning the benefit for your diagnosis, whether or not relied on.

For an appeal relating to a Disability Benefit, you may request the identity of any medical or vocational experts whose advice was obtained by the Plan in connection with the denial of your application for a Disability Benefit, whether or not relied on.

If you have any questions about this appeal procedure, contact the Contract Administrator immediately.

Review of Appeal By Board of Trustees

The Board of Trustees will review all of the facts, documents, records and information on which the original decision to deny your application for a benefit was based, and if for a Disability Benefit, will not give any deference to that decision. The Trustees will also review the comments you make in your appeal letter and any additional documents, records or other information you submit with your appeal letter. The Trustees may, but are not required to, honor your request to make an oral presentation to the Board of Trustees in support of your appeal.

If your appeal relates to a Disability Benefit that had been denied due to a medical judgment, the Board of Trustees will consult with a health care professional in the appropriate field of medicine. This health care professional will not be same individual who may have been consulted in connection with the original decision on your application for a Disability Benefit (or a subordinate of that individual).

The Board of Trustees will make a decision on your appeal by the date of the first meeting of the Board of Trustees that follows the Contract Administrator's receipt of your appeal letter. However, if your appeal letter is received within the 30-day period preceding the date of the first meeting, the Board of Trustees will make its decision by the date of its second meeting that follows the receipt of your appeal letter. If special circumstances (such as the need to hold a hearing) require an extension, you will be notified of the extension, and the Board of Trustees will make its decision by the date of its third meeting that follows the receipt of your appeal letter. The notice of extension will describe the special circumstances and the date by which a decision on your appeal is expected.

The Board of Trustees will issue its written decision on your appeal within five days of the meeting at which the decision is made. If adverse, the written decision will include:

- the reasons for the decision;
- a reference to the provisions in the Plan on which the decision is based;
- a statement of your right to examine documents that are relevant to your application for benefits and to receive copies free of charge; and
- a statement of your right to bring a lawsuit under ERISA.

If the adverse decision relates to a Disability Benefit, the written decision will also include the following, if applicable:

- If the decision relied on any internal rule, guideline, protocol or other similar criterion, a copy will be included with the written decision, or the written decision will tell you how to request a copy free of charge.
- If the decision was based on a medical necessity or experimental treatment or similar exclusion or limit, the written decision will explain the scientific or clinical judgment for the denial (including how the provisions in the Plan apply to your medical circumstances), or the written decision will tell you how to request a copy of such an explanation free of charge.

Court Appeals

The Board of Trustees have full authority and discretion to interpret and apply all the provisions and conditions of the Plan, to determine eligibility for benefits, and to resolve all factual and legal issues concerning the Plan and the benefits. The Board's decision is final and binding on all persons.

Federal law generally requires that you follow the Plan's claims and appeal procedures before you can sue the Plan in court for benefits. In reviewing the decision of the Board of Trustees on your eligibility for a benefit, a court may decide to overturn the Board's decision only if it is found to be an abuse of discretion.

Representative

You may designate a duly authorized representative to file an application for benefits on your behalf and/or to appeal a benefit denial to the Board of Trustees on your behalf. You will

generally be required to provide a written statement of the designation, along with an authorization to release information to your representative.

Spouses and Beneficiaries

The above claims and appeals procedures apply to your Eligible Spouse or designated beneficiary who wishes to file a claim for benefits under the Plan after your death.

Section 14
QUALIFIED DOMESTIC RELATIONS ORDERS

A court may order the payment of a portion of your benefits as part of a property settlement in a divorce proceeding or it may order the payment of a portion of your benefits to your spouse, former spouse or dependent child(ren) for support. If the order meets the criteria for a "Qualified Domestic Relations Order" ("QDRO"), the Plan must honor the order and pay the specified portion of your benefits to the person(s) specified in the order. The persons to be paid under the terms of a Qualified Domestic Relations Order are called "Alternate Payees."

A "QDRO" is a judgment, decree or order (including approval of a property settlement agreement) which relates to the provision of child support, alimony payments, or marital property rights to a spouse, former spouse, child or other dependent of a Participant, which is made pursuant to a state domestic relations law and which meets the requirements of federal law. The Plan is required by law to determine whether any domestic relations order qualifies as a QDRO.

In addition to awarding all or a portion of your benefits to an Alternate Payee, a QDRO may grant to a former spouse the rights normally provided to a surviving Eligible Spouse under the Plan, preventing a later spouse from receiving survivor benefits.

If the Plan receives a document that purports to be a QDRO affecting your interest in the Plan, you will be notified, and you will be provided with a copy of the Plan's established procedure for determining whether or not the instrument constitutes a "QDRO". You (or your spouse or former spouse) may obtain a copy of these procedures from the Contract Administrator without charge, upon written request made to the Contract Administrator.

Section 15 SUSPENSION OF PENSION

Work After Retirement

In general, after you retire, you may not return to work as a Steamfitter without having your monthly pension payments suspended for the period of reemployment. This general rule applies differently before and after age 65.

Before Age 65

Before age 65, your pension payments will be suspended for each month in which you are in what the Plan calls *Disqualifying Employment*.

For this purpose, you are in "*Disqualifying Employment*" for a month if you work at any time during the month as an employee or partner or other self-employed individual:

- in the plumbing and pipe fitting industry as described in the collective bargaining agreement with the Steamfitters Local Union No. 449; and
- in the territorial jurisdiction of Steamfitters Local Union No. 449, the geographical area covered by the Plan, or the geographical area covered by any other pension plan or fund that has entered into a Reciprocal Agreement with the Plan.

You will also be considered to be in *Disqualifying Employment* for a month if you have made yourself available for work in the plumbing and pipe fitting industry at any time during the month by signing the Union's out-of-work list.

After Age 65

Beginning at age 65, your pension payments will be suspended for each month in which you are in what the Plan calls *Total Disqualifying Employment*.

For this purpose, you are in "*Total Disqualifying Employment*" for a month if you work at least 40 hours during the month as an employee or partner or other self-employed individual:

- in the plumbing and pipe fitting industry as described in the collective bargaining agreement with Steamfitters Local Union No. 449 (or in any other industry engaged in by employers under the Plan); and
- in a trade or craft requiring the direct or indirect application of skills related to the trade or craft in which you were employed during your participation in the Plan; and
- in the territorial jurisdiction of Steamfitters Local Union No. 449, the geographical area covered by the Plan, or the geographical area covered by any other pension plan or fund that has entered into a Reciprocal Agreement with the Plan.

However, if you retired before April 1, 2001 and return to work after April 1 of the year following the year in which you attain age 70½, these suspension of benefit provisions do not apply.

Notice/Information Requirements

You are required to notify the Contract Administrator in writing within 15 days after starting work that is or may be considered *Disqualifying Employment* or *Total Disqualifying Employment*.

If you fail to report a return to work, and it is discovered that you are working in employment that could be *Disqualifying Employment* or *Total Disqualifying Employment*, it will be presumed that such work is *Disqualifying Employment* or *Total Disqualifying Employment*, and your pension payments will be suspended, unless you prove otherwise. If such work is with a contractor at a

construction site, it will be presumed that you are employed in *Disqualifying Employment* or *Total Disqualifying Employment* at that site for so long as the contractor is active at that site, unless you prove otherwise.

Upon request, you must furnish the Contract Administrator with any reasonable information relating to work that could be considered *Disqualifying Employment* or *Total Disqualifying Employment*. Failure to provide the requested information will result in the suspension or postponement of the payment of your pension.

Resumption of Pension

Once your *Disqualifying Employment* or *Total Disqualifying Employment* ends, you must reapply for the resumption of your suspended pension payments. Payment will resume within three months in the same form of payment in effect for the pension payments when suspended.

Recovery of Overpayments

If you are paid a pension for a month in which you were in *Disqualifying Employment* or *Total Disqualifying Employment*, the Plan will recover the overpayment from your subsequent pension payments. The Plan will withhold 100 percent of your monthly pension benefit until the third calendar month for which your resumed pension is payable, and 25 percent of your monthly pension benefit thereafter, until the entire amount of the overpayment has been recovered by the Plan.

Right of Appeal

You have the right to have the decision to suspend your pension payments reviewed under the Plan's claims and appeals procedure. (See *Section 13*.)

Advance Determination

You have the right to file a written request for an advance determination as to whether any work you are contemplating is *Disqualifying Employment* or *Total Disqualifying Employment*. Contact the Contract Administrator for the procedures to be followed.

Section 16
**CIRCUMSTANCES WHICH MAY RESULT IN DISQUALIFICATION, INELIGIBILITY, DENIAL,
LOSS, FORFEITURE OR SUSPENSION OF BENEFITS**

If you terminate employment prior to becoming vested you will not receive any benefits under the Plan.

If the Plan terminates in whole or in part, your vested accrued benefit may be reduced. *(See Section 17, MISCELLANEOUS INFORMATION.)*

If you fail to complete 501 Hours of Service during a Plan Year when you are not vested in your monthly pension benefit, you may incur a One-Year Break in Service which may cause you to lose your pre-break Years of Service for vesting purposes, Years of Participation for determining benefits, and earned pension benefits. *(See Sections 4 and 5, VESTING/YEARS OF SERVICE and EARNING PLAN BENEFITS/YEARS OF PARTICIPATION.)*

If the Plan receives a Qualified Domestic Relations Order attaching your benefits, you will lose the portion of your benefits that are awarded to the Alternate Payee(s). *(See Section 14, QUALIFIED DOMESTIC RELATIONS ORDERS.)*

If you return to work after beginning to receive monthly pension payments from the Plan, your monthly pension payments may be suspended. *(See Section 15, SUSPENSION OF PENSION.)*

If your benefits are subject to a tax lien, you may lose the benefit amounts subject to the lien.

If you falsify any statement material to an application or furnish fraudulent information to the Trustees or fail to produce certain evidence to the Trustees upon request, payments under this Plan may be denied, suspended or discontinued.

If you are receiving or will receive retirement benefits from more than one plan funded by your employer in excess of the permissible amounts under limitations of the Internal Revenue Code, your benefits under the Plan may be reduced so that your total annual retirement benefits under all plans funded by your employer will equal the maximum permissible amount. If you think this situation may apply to you, contact the Contract Administrator for more information.

Section 17
MISCELLANEOUS INFORMATION

Assignment of Benefits

In general, your Plan benefits may not be transferred, assigned, pledged or encumbered, or attached for your debts before they are paid to you. However, there are exceptions to this rule. For example, the Plan may honor Qualified Domestic Relations Orders and certain tax liens without violating this rule.

Plan and Trust Amendments

Steamfitters Local Union No. 449 and the Mechanical Contractors Association of Western Pennsylvania have the right to amend, change or modify all or any part of the Plan and its corresponding Pension Fund at any time.

If any amendment to the Plan adversely changes the vesting provisions of the Plan, you will have the opportunity to make an irrevocable election to have the pre-amendment vesting provisions apply to you instead of the new vesting provisions if you are credited with three (3) or more Years of Service under the Plan (whether or not consecutive), and are credited with at least one Hour of Service after December 31, 1988.

Plan Termination

Although the Plan is intended to continue indefinitely, Steamfitters Local Union No. 449 and the Mechanical Contractors Association of Western Pennsylvania by agreement may terminate the Plan at any time.

You will receive notice if the Plan is terminated. You will also be notified 15 days in advance of the time you will stop earning benefits.

If the Plan is terminated, the Pension Fund will be the sole source of benefits. Neither Steamfitters Local Union No. 449, nor the Mechanical Contractors Association of Western Pennsylvania, nor the contributing employers (nor any employee, officer or director of the above listed entities), nor the Trustees assume liability or responsibility for the payment of benefits, or for the sufficiency of Plan assets to pay all benefits.

If the Plan is terminated, affected Participants will become fully vested in their accrued benefits. However, you will not receive the full present of your vested benefits unless the assets of the Pension Fund at the time of termination are equal to or greater than the present value of all the accrued benefits under the Plan.

Providing Information to the Trustees

It is the responsibility of every Participant, Spouse and Beneficiary to furnish to the Trustees and to the Contract Administrator upon request any information or evidence reasonably required for the administration of the Plan. Some examples include furnishing proof of death of a Participant or Eligible Spouse by a person claiming rights to survivor or death benefits, or supplying proof of marriage or divorce.

Failure to furnish information or evidence on a timely basis and in good faith, or the furnishing of false or fraudulent information or proof to the Trustees or the Contract Administrator will be sufficient reason for the denial of immediate payments to a Participant, Spouse or Beneficiary, or for the temporary suspension or discontinuance of payments to such persons.

Section 18
CONTRIBUTIONS TO THE PLAN

Employer Contributions

Each Employer is obligated to contribute to the Pension Fund the amounts specified in the Collective Bargaining Agreement(s) between such Employer and the Union, or in other written agreements with the Trustees.

Participant Contributions

All contributions must be made by or on behalf of participating employers. Participants are not required or permitted to make contributions. You can participate in the Plan without any out-of-pocket expense on your part.

Section 19

PLAN TERMINATION INSURANCE

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

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

The maximum benefit that the PBGC guarantees is set by law. There is limit on the maximum annual guarantee for a participant.

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

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

For more information about the PBGC and the benefits it guarantees, ask your plan administrator or contact the PBGC's Technical Assistance Division, 1200 K Street, N.W., Suite 930, Washington, D.C. 20005-4026 or call 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.

Section 20
U.S. DEPARTMENT OF LABOR STATEMENT OF ERISA RIGHTS

The following text is presented in accordance with the provisions of Section 2520.102-3(t), Subpart B, Part 2520 Title 29, Code of Federal Regulations.

* * * * *

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

Receive Information About Your Plan and Benefits

Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

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

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

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

Prudent Actions by Plan Fiduciaries

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

Enforce Your Rights

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

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the plan's

decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

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Appendix A
50% QUALIFIED JOINT AND SURVIVOR REDUCTION PERCENTAGES

If your pension is paid in the 50% Qualified Joint and Survivor form of payment, your monthly pension is reduced. The amount of the reduction is determined by the difference in your age and your spouse's age when payment of your pension is scheduled to begin. For this purpose, age is rounded to the nearest whole year. For example, age 61 and six months is age 62.

PERCENTAGE REDUCTION FOR 50% QUALIFIED JOINT AND SURVIVOR FORM OF PAYMENT						
DIFFERENCE IN YOUR AGE AND SPOUSE'S AGE	YOUR AGE WHEN PAYMENT BEGINS					
	55-57	58-60	61-63	64-66	67-69	70-72
Spouse 20 or more years younger	13%	14%	14%	15%	15%	16%
Spouse 17, 18, or 19 years younger	12%	12%	13%	14%	14%	14%
Spouse 14, 15, or 16 years younger	10%	10%	10%	11%	11%	12%
Spouse 11, 12, or 13 years younger	8%	9%	9%	10%	10%	11%
Spouse 8, 9, or 10 years younger	7%	8%	8%	8%	9%	9%
Spouse 5, 6, or 7 years younger	6%	6%	7%	7%	8%	8%
Spouse 2, 3, or 4 years younger	5%	5%	6%	6%	7%	7%
Spouse less than 2 years younger or older	4%	4%	5%	5%	6%	6%
Spouse 2, 3, or 4 years older	3%	3%	4%	4%	5%	5%
Spouse 5, 6, or 7 years older	2%	3%	3%	3%	3%	4%
Spouse 8, 9, or 10 years older	2%	2%	2%	3%	3%	4%
Spouse 11, 12, or 13 years older	1%	1%	2%	2%	3%	3%
Spouse 14, 15, or 16 years older	1%	1%	1%	1%	2%	2%
Spouse 17, 18, or 19 years older	1%	1%	1%	1%	1%	1%
Spouse 20 or more years older	1%	1%	1%	1%	1%	1%

For example, if you are age 62 and your spouse is age 60 (i.e., 2 years younger), your monthly pension is reduced by 6% if paid in the 50% Qualified Joint and Survivor form of payment.

As another example, if you are age 62 and your spouse is age 50 (i.e., 12 years younger), your monthly pension is reduced by 9% if paid in the 50% Qualified Joint and Survivor form of payment.

These percentages apply only if payment of Pension begins on or after October 1, 1997. The percentages that applied before October 1, 1997 are available from the Contract Administrator.

Appendix B
100% JOINT AND SURVIVOR REDUCTION PERCENTAGES

If your pension is paid in the 100% Joint and Survivor form of payment, your monthly pension is reduced. The amount of the reduction is determined by the difference in your age and your spouse's age when payment of your pension is scheduled to begin. For this purpose, age is rounded to the nearest whole year. For example, age 61 and six months is age 62.

PERCENTAGE REDUCTION FOR 100% JOINT AND SURVIVOR FORM OF PAYMENT						
DIFFERENCE IN YOUR AGE AND SPOUSE'S AGE	YOUR AGE WHEN PAYMENT BEGINS					
	55-57	58-60	61-63	64-66	67-69	70-72
Spouse 20 or more years younger	29%	31%	32%	34%	35%	37%
Spouse 17, 18, or 19 years younger	27%	29%	30%	32%	33%	35%
Spouse 14, 15, or 16 years younger	25%	27%	28%	29%	31%	32%
Spouse 11, 12, or 13 years younger	23%	24%	26%	27%	28%	30%
Spouse 8, 9, or 10 years younger	20%	22%	23%	25%	26%	27%
Spouse 5, 6, or 7 years younger	18%	19%	21%	22%	24%	25%
Spouse 2, 3, or 4 years younger	15%	17%	18%	20%	21%	23%
Spouse less than 2 years younger or older	13%	15%	16%	17%	19%	20%
Spouse 2, 3, or 4 years older	11%	12%	14%	15%	16%	18%
Spouse 5, 6, or 7 years older	8%	10%	11%	13%	14%	15%
Spouse 8, 9, or 10 years older	6%	7%	9%	10%	12%	13%
Spouse 11, 12, or 13 years older	3%	5%	6%	8%	9%	11%
Spouse 14, 15, or 16 years older	1%	3%	4%	5%	7%	8%
Spouse 17, 18, or 19 years older	1%	1%	2%	3%	4%	6%
Spouse 20 or more years older	1%	1%	1%	1%	3%	4%

For example, if you are age 62 and your spouse is age 60 (i.e., 2 years younger), your monthly pension is reduced by 18% if paid in the 100% Joint and Survivor form of payment.

As another example, if you are age 62 and your spouse is age 50 (i.e., 12 years younger), your monthly pension is reduced by 26% if paid in the 100% Joint and Survivor form of payment.