

# Idaho Plumbers and Pipefitters Pension Plan



## Summary Plan Description

January 1, 2016



To All Participants:

We are pleased to provide you with this booklet – the Summary Plan Description – describing the benefits of the Idaho Plumbers and Pipefitters Pension Plan (the “Plan”). This booklet includes changes made to the Plan through December 2015, and summarizes how benefits are earned and how they are paid. If you retired or stopped working in covered employment before January 1, 2016, the terms of the Plan that apply to you may be different, and you should consult prior versions of the Summary Plan Description.

Although the principal provisions of the Plan are described, not all details are covered. If there is any ambiguity or conflict between this summary and the official Plan document, the Plan document will govern. Copies of the Plan document may be obtained from the Administrative Office.

**Note** that capitalized terms in this booklet have specific meanings. Please refer to the Glossary (Section XVI) for definitions of capitalized terms that are not defined elsewhere in this booklet.

We urge you to become familiar with this booklet. Keep it with your other important papers so you may refer to it when you stop working or retire. If you lose your copy, you may obtain another by contacting the Administrative Office:

Idaho Plumbers and Pipefitters  
c/o Administrative Office  
1220 SW Morrison Street, Suite 300  
Portland, Oregon 97205  
Telephone: (208) 288-1610 or (800) 808-1687 (toll-free)

You may also contact the Administrative Office if you have questions about the Plan. The staff will be happy to assist you.

Sincerely,

Board of Trustees

***The Board has the sole, exclusive, and discretionary authority to make any and all determinations under the Plan, including eligibility for benefits, amount of benefits payable, and the meaning of Plan language. The Administrative Office is the only party authorized by the Board of Trustees to answer questions about the Trust Fund and the Plan. And in order for any information or opinion about your rights under the Plan to be considered official, it must be in writing and signed by an authorized employee of the Administrative Office on behalf of the Board. No Trustee, employer, employer association, or the Union or other labor organization, nor any of their employees or representatives, has any authority in this regard.***

***The terms of the Plan and this Summary Plan Description govern over oral or other written communications (including electronic communications) concerning the Plan. The Plan is not bound by any oral or written communication that conflicts with Plan documents.***

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# I. A BRIEF LOOK AT YOUR PENSION PLAN

This Plan is a defined benefit pension plan that provides you with monthly income payments when you retire. Your benefit under this Plan is paid in addition to your Social Security benefits and any amounts you may receive from other retirement plans.

## Participation

Your participation automatically begins when:

- Your employer is required to contribute to the Plan on your behalf under a Collective Bargaining Agreement or Special Agreement, and
- You have earned at least one Covered Hour.

## Accrued Benefit

Your accrued benefit is the sum of your future service benefit, your past service benefit (if any), and your old benefit (if any), as described in Section VI.

## Vesting

You vest (that is, become entitled to your Plan benefit) on the earliest of the following dates:

- The date you complete 5 years of vesting service, as described in Section V, or
- Your Normal Retirement Age, as described in Section VIII.

You may start receiving your vested benefit once you meet the eligibility requirements for normal or early retirement, or if you become permanently disabled and meet the requirements for disability retirement.

## Early Retirement

You are eligible to retire early and receive a benefit (reduced for age in some instances) if you stop working with all Participating Employers and you reach one of the Retirement Ages below:

- **Early Retirement Age:** Age 57 or older, and 10 or more years of vesting service
- **Special Early Retirement Age:** Age 57 or older, 10 or more years of vesting service, and at least 1,800 Covered Hours without a intervening Break-in-Service (including at least one Covered Hour after age 57)
- **Rule of 85 Retirement Age:** Age 55 or older, and your age plus your years of Credited Service equals at least 85

## Normal Retirement

You are eligible to retire and receive your full, unreduced benefit if you are vested and have reached your Normal Retirement Age, even if you are still working.

**Normal Retirement Age:** Age 62 or older, and you must have at least 5 years of vesting service, 5 years of Credited Future Service, or have reached the 5<sup>th</sup> anniversary of the time you began participating in the Plan.

## Disability Retirement

Even if you are not vested, you are eligible to retire and receive a disability retirement benefit reduced for age if:

- You are permanently disabled, as described in Section VIII,
- You earned at least 501 Covered Hours in the Plan Year you became permanently disabled (or in either of the two previous Plan Years), and
- You submit a written determination from the Social Security Administration of total and permanent disability and a disability onset date.

## Retirement Payment Options

Regardless of when you retire, you may choose from the following payment options:

- **Monthly Life Annuity**, which pays you a monthly benefit for your lifetime. All payments stop at your death.
- **Monthly Life Annuity with Period Certain**, which pays you a monthly benefit for your lifetime but in no event less than your choice of 60, 120, or 180 months of guaranteed payments. If you die before receiving the applicable number of guaranteed monthly payments, the remaining payments will be made to your beneficiary.
- **Joint & Survivor Annuity**, which pays you a monthly benefit for your lifetime and, if you die first, a specified percentage of your monthly benefit (50%, ~~66 2/3%~~, 75% or 100%) will be paid to your Spouse for his or her lifetime. If you are married, your benefit will be paid as a Joint & Survivor Annuity unless your Spouse consents to a different payment option.
- **Pop-Up Joint & Survivor Annuity**, which pays you a monthly benefit for your lifetime. If you die first, a specified percentage of your monthly benefit (50%, ~~2/3%~~, 75% or 100%) will be paid to your Spouse for his or her lifetime. However, if your Spouse dies first, your monthly benefit will increase to the amount you would have received if you had elected a Monthly Life Annuity when you retired.
- **Lump Sum Payment**, which pays your entire benefit in a single lump sum payment. This option is only available if the total value of your benefit is \$5,000 or less.

## Auxiliary Disability Benefits

In addition to the retirement benefits described above, the Plan provides up to 24 months of auxiliary disability benefits. You are eligible to receive auxiliary disability benefits if:

- You become disabled, as described in Section XI,
- You work at least 501 Covered Hours in the Plan Year you become disabled (or in either of the previous 2 Plan Years), and
- You are vested.

## Survivor Benefits

If you die, survivor benefits may be payable, depending on whether you die before or after retiring, your marital status, and whether you are vested. (Note: You are not considered married for this purpose if you have been married for less than one year.)

- If You Die Before Retirement
  - **If you are married and you are vested**, your Spouse will receive a lifetime annuity benefit.
  - **If you are not married or if you are not vested**, your beneficiary will receive a lump sum equal to the greater of \$2,000 or 24 times your monthly accrued benefit.
- If You Die After Retirement
  - Your Spouse or other beneficiary may be eligible for a special lump sum benefit if you die within 24 months following your retirement date. Any other survivor benefit for your Spouse or other beneficiary will depend on the form of payment you selected when you retired.

## II. PARTICIPATION

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Your participation in the Plan automatically begins when you have earned at least one Covered Hour and employer contributions are made (or required to be made) on your behalf, in accordance with:

- A Collective Bargaining Agreement with the Idaho State Pipe Trades Association and UA Local Unions 296 and 648, or with Montana UA Local Union 41, or
- A Special Agreement with the Board of Trustees.

To find out whether a particular employer contributes to the Plan, contact the Administrative Office.

To participate in this Plan, you must be considered an employee under the Taft-Hartley Act. Sole proprietors and partners, for example, are not eligible for Plan participation. However, officers, directors and owners who are corporate shareholders of a Participating Employer may participate if they are common-law employees who receive an IRS Form W-2 and if they are covered under a Special Agreement.

You are no longer a Plan participant upon the earlier of (a) the date you are no longer entitled to any benefits under the Plan, or (b) the date you terminate employment with your Participating Employer without a vested right in your accrued benefit.

### **III. CONTRIBUTIONS TO THE PLAN**

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The Plan is funded by your employer's contributions and the Trust Fund's investment returns. The amount of this contribution is determined by your employer's Collective Bargaining Agreement with your local Union, or by the Special Agreement your employer has with the Trustees. There is no direct cost to you.

Prior to May 31, 1969 (August 21, 1977 for Non-Construction Participants), participants were required to make employee contributions as a condition of Plan participation. If you are one of these participants, your mandatory employee contributions remaining in the Plan are credited with interest annually.

If you have a Break-in-Service (as described in Section VII) before you are eligible for retirement, you may apply to withdraw your mandatory employee contributions and accumulated interest. To do this, you must apply in writing 60 days prior to withdrawal and, if you are married, your Spouse must sign the application in the presence of a notary public or Plan representative. Any withdrawal will reduce the accrued benefit you receive from the Plan when you retire. Further, if you withdraw your contributions before you are fully vested, you will have no further rights in the Plan. However, if you are a non-vested participant who has withdrawn your mandatory employee contributions and you again become a participant, the full amount of your benefit earned to the date of termination shall be reinstated if you repay to the Plan the amount of your withdrawn employee contributions plus interest.

## **IV. MEASUREMENT OF SERVICE**

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Benefits under the Plan are determined in part by the amount of service you complete with Participating Employers. This section explains how the Plan measures service.

### Hours of Service

You earn an Hour of Service for each hour you are paid or entitled to payment by your Participating Employer on account of your performance of duties. You also earn an Hour of Service for each hour you are paid or entitled to payment by your employer on account of a period of time during which you perform no duties (irrespective of whether your employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty, or leave of absence. However, you cannot earn more than 501 Hours of Service under this rule on account of any single continuous period during which you perform no duties.

There are three types of Hours of Service: Covered Hours, Non-Covered Hours, and Contiguous Non-Covered Hours.

### Covered Hours of Service

Covered Hours are the Hours of Service for which your employer is required to contribute to the Plan. They are used to determine your years of vesting service and your Credited Future Service and to calculate part of your accrued benefit. They are also used to determine whether you have a Break-in-Service, as described in Section VII. They may also be used to establish your eligibility for a retirement or auxiliary disability benefit.

### Non-Covered Hours of Service

Non-Covered Hours consist of your Hours of Service in a job classification for which your employer is not required to contribute to the Plan.

### Contiguous Non-Covered Hours of Service

Contiguous Non-Covered Hours are Non-Covered Hours that you earn with an employer that precede or follow Covered Hours you earn with the same employer, provided no quit, discharge, or retirement occurs between the Covered and Non-Covered Hours. Contiguous Non-Covered Hours are credited, to the extent required by law, to determine your years of vesting service and whether you have a Break-in-Service. Contiguous Non-Covered Hours are not taken into account in determining your accrued benefit.

### Credited Service

Credited Service is made up of your Credited Future Service and Credited Past Service.

### *Credited Future Service*

Credited Future Service means the Covered Hours you earn after your Unit Entry Date (i.e., the date your employer was first required to contribute for your unit or category). You earn a year of Credited Future Service for each 1,800 Covered Hours you work in a Plan Year (June 1 through May 31). For example, if you work 2,250 Covered Hours in a Plan Year, you'll earn 1¼ years of Credited Service. If you work fewer than 1,800 Covered Hours in a Plan Year, you'll earn a partial year of Credited Future Service. For example, if you only work 900 Covered Hours in a Plan Year, you will earn a ½ year of Credited Future Service. For Plan Years after May 31, 2005, you will not receive any Credited Future Service (for benefit accrual purposes only) for any Plan Year in which you work less than 401 Covered Hours.

### *Credited Past Service*

Credited Past Service refers to certain employment immediately before your Unit Entry Date (the date your employer was first required to contribute for your unit or category).

To be eligible for Credited Past Service, you must have been employed by your employer on your Unit Entry Date and a member of the unit or category entering the Plan. You must also meet one of the following:

- **If your Unit Entry Date was before June 1, 1999**, you must have been covered by a Collective Bargaining Agreement during the period immediately before your Unit Entry Date. In addition, this work must have been in the geographic area your employer covers after your Unit Entry Date.
- **If your Unit Entry Date is after May 31, 1999**, you must earn 501 Covered Hours each Plan Year for 5 Plan Years after your Unit Entry Date, and you must not have a permanent Break-in-Service (see Section VII).

If you satisfy these requirements, you will receive ½ year of Credited Past Service for each of the consecutive whole years immediately before your Unit Entry Date in which you worked at least 1,000 hours in the geographic area covered by your Collective Bargaining or Special Agreement. Only continuous unbroken service with your employer or its predecessors immediately prior to your Unit Entry Date is counted; service is considered to have been broken by any termination of employment. A maximum of 5 years of Credited Past Service will be granted.

Please note that Credited Past Service (**for benefit calculation purposes**) may be limited as follows:

- **For members of Montana UA Local Union 41:** Your Credited Past Service will be limited to service performed on or after September 1, 1991.
- **For former members of Montana UA Local Union 139:** Your Credited Past Service will be limited to service performed on or after January 1, 1997.

## Military Service Under USERRA

Under the Uniformed Services Employment and Reemployment Rights Act (USERRA), if you leave covered employment for service in the uniformed service (as defined under USERRA), the period of such service may prevent a Break-in-Service, and you may receive benefit accrual and vesting service for the time you are away. Service in the uniformed service generally includes service in the United States Armed Forces, the National Guard when engaged in full-time duty or training, and the Commissioned Corps of the Public Health Service.

Under USERRA, you must notify your employer before taking leave (unless prevented by military necessity or it is otherwise impossible or unreasonable under the circumstances). You should also tell your employer how long you expect to be gone. Your uniformed service may not exceed 5 years unless a longer period is necessary to complete an initial period of obligated service; you are unable to obtain release orders (through no fault of your own) within the 5-year limit; additional service is required due to specific training requirements; or you are ordered to (or retained on) active duty.

Upon release from duty, you must apply for reemployment as follows:

- **For less than 31 days of uniformed service**, report to work at the beginning of the first regularly scheduled work period on the following day, taking into account safe transportation plus an 8-hour rest period.
- **For 31-180 days of uniformed service**, apply within 14 days.
- **For more than 180 days of uniformed service**, apply within 90 days.

These deadlines may be extended if reporting by the deadline is impossible or unreasonable through no fault of your own. If you are hospitalized or convalescing due to injury or illness incurred in or aggravated during service in the uniformed service, these reemployment deadlines will be extended while you recover, but not longer than 2 years. In addition, certain other limitations and restrictions apply, as explained in the *Participants Rights Under USERRA* notice you should receive when you begin your leave. To ensure proper crediting of service under USERRA, you should notify the Administrative Office when you take USERRA leave and how long you expect to be gone. You should also notify the Administrative Office when you apply for reemployment after your leave.

USERRA only applies if you seek reemployment after December 11, 1994. For information on the military service provisions that applied before that date, or for additional information on service under USERRA, please contact the Administrative Office.

## Family and Medical Leave Act of 1993

The Plan will comply with the Family and Medical Leave Act of 1993, as amended, to the extent required by law.

## V. VESTING

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To be “vested” means you have a right to the accrued benefit you have earned. If you cease working for a Participating Employer before becoming vested, you will not receive any Plan benefits unless you are reemployed and subsequently become vested (see the Break-in-Service rules in Section VII). If you quit after becoming vested, you will be entitled to benefits once you meet the retirement eligibility requirements described in Section VIII.

You vest when you satisfy one of the following:

- You have 5 years of vesting service, or
- You reach your Normal Retirement Age while working for a Participating Employer.

### Years of Vesting Service

Your years of vesting service are used to determine whether you are vested in your accrued benefit and to establish your eligibility for a retirement or survivor benefit.

After June 1, 1976, you earn a year of vesting service for each Plan Year you have at least 501 Covered and/or Contiguous Non-Covered Hours. Before that date, you earned one year of vesting service for any Plan Year you worked at least 1,000 Covered Hours.

### Years of Vesting Service for Montana Participants

If you are a Montana Participant and meet certain requirements, you’re eligible to receive years of vesting service for the service you completed before your Montana Union Entry Date. This vesting service will equal the years of contiguous service you completed immediately prior to your Montana Union Entry Date. A year of contiguous service is either:

- A 12-month period during the whole of which you were a member of (or represented by) UA Union Local 41 or 139, or
- A 12-month period in which you had at least 501 Hours of Service with the Montana Participating Employer that first contributed to the Plan on your behalf as of your Montana Union Entry Date.

You’re eligible to count your years of contiguous service earned before your Montana Union Entry Date as years of vesting service if both of the following apply to you:

- On your Montana Union Entry Date you were either (a) employed by a Montana Participating Employer, or (b) on active status with UA Union Local 41 or 139 and eligible for work that otherwise would have been treated as Covered Hours, and
- You earned 501 or more Covered Hours between your Montana Union Entry Date and the last day of the Plan Year following the Plan Year in which your Montana Union Entry Date falls.

## **VI. AMOUNT OF YOUR ACCRUED BENEFIT**

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Your accrued benefit under the Plan depends in part on your Unit Entry Date.

### **If Your Unit Entry Date Is Before June 1, 1999**

If your employer began contributing for your unit or category before June 1, 1999, your accrued benefit is the sum of your future service benefit and your old benefit.

#### *Future Service Benefit*

Your future service benefit is the benefit you earn for service after May 31, 1999. Your future service benefit is the sum of the amounts described below. Note that you will not earn a future service benefit for any Plan Year after May 31, 2005 in which you work fewer than 401 Covered Hours.

- For Covered Hours you worked from June 1, 1999 through May 31, 2000, your future service benefit generally is 1.5% of the contributions your employer made for those hours. However, your future service benefit is increased to 1.75% of those contributions in the following circumstances:
  - If you have earned one or more Covered Hours after June 1, 2001, and
  - If you had a Break-in-Service before June 1, 2001, you work at least 1,800 Covered Hours following your last Break-in-Service. (For this purpose, Covered Hours you earn after May 31, 2004 are not taken into account except to the extent you did not incur a Break-in-Service in the Plan Year ending on May 31, 2004 and you earn 1,800 or more Covered Hours before you incur a Break-in-Service.)
- For Covered Hours you worked from June 1, 2000 through May 31, 2003, your future service benefit is 1.5% of the contributions your employer made for those hours.
- For Covered Hours you work on and after June 1, 2003, your future service benefit generally is 1.0% of the contributions your employer made for those hours. However, if you earned at least 401 Covered Hours during the Plan Year beginning on June 1, 2006, your future service benefit for the Covered Hours you worked from June 1, 2003 through May 31, 2004 is increased to 1.5% of the contributions your employer made for those hours. In addition, beginning October 1, 2009, only your employer's Basic Contributions (described below) are taken into account in determining your future service benefit.

***Basic versus Supplemental Contributions.*** Beginning October 1, 2009, employer contributions are designated as either "Basic Contributions" or "Supplemental Contributions." You will earn benefits only on Basic Contributions. Supplemental Contributions are used to improve the funding status of the Plan, and will not be taken into account for benefit accruals. Basic and Supplemental Contributions as of January 2016 are as follows:

	Basic Contribution Rate	Supplemental Contribution Rate
Non-Construction Employer	\$3.22	\$0.80
Idaho Construction Employer		
<i>Local 296</i>	\$ 3.42	\$0.80
<i>Local 648</i>	\$ 3.80	\$0.90
Montana Construction Employer	\$2.75	\$0.70
Light Commercial / Residential Supplement Employer		
<i>Local 296</i>	\$ 1.25	\$0.25
<i>Local 648</i>	\$2.65	\$0.65

If you travel outside of the Local 41, 296 or 648 jurisdictions to do work covered by a reciprocal UA pension plan, contributions for your work are sent to this Plan if this is your “home” Plan. Beginning January 1, 2010, your Covered Hours are credited by dividing the total contributions sent to this Plan on your behalf by your home local’s contribution rate (Basic and Supplemental Contributions combined) for Construction work. Your benefit for these hours is then computed as if you were working within the Local 41, 296, or 648 jurisdiction: 1% of your Basic Contribution rate times Covered Hours, and no benefit accrual for Supplemental Contributions.

Example: John performs work covered by a reciprocal plan, and \$4,220 in contributions is sent back to this Plan. John’s home local is Local 296, which has a total contribution rate of \$ 4.22 (Basic Contribution rate of \$3.42 plus a Supplemental Contribution rate of \$0.80). For this work, the Plan credits John with 1,000 Covered Hours (\$4,220 in contributions divided by the \$4.22 total contribution rate), and a benefit accrual of \$34.20 (1% x \$3.42 Basic Contribution rate x 1,000 Covered Hours).

### *Old Benefit*

Your old benefit is the benefit you earned for service before June 1, 1999. It equals your years of Credited Service (your years of Credited Future Service if your employer was a Montana Construction Employer) earned before June 1, 1999 multiplied by a specific dollar rate. If you’ve worked at least one Covered Hour of Credited Future Service (any Credited Service if your employer was a Non-Construction Employer) on or after June 1, 2001 and you meet the other requirements related to Breaks-in-Service described below, your old benefit is calculated using the service and rate for your employer as shown below. Otherwise, it is calculated using the rate for your last Covered Hour as shown in Appendix A.

<b>If your employer class is/was...</b>	<b>Your old benefit (for service earned before June 1, 1999) equals...</b>		
Idaho Construction	Your years of Credited Service	x	\$67.57
Light Commercial/Residential Supplement	Your years of Credited Service	x	\$15.60
Montana Construction	Your years of Credited Future Service	x	\$58.62
Non-Construction	Your years of Credited Service	x	\$47.94

Please note that if you had a Break-in-Service before June 1, 1999, you must work a minimum number of Covered Hours after the Break-in-Service (and without an intervening Break-in-Service) or you will not be eligible for the above rates. The minimum is 1,800 Covered Hours (or 9,000 Covered Hours for “Alumni” participants covered under a Special Agreement). Covered Hours you work after May 31, 2004 are not taken into account for this purpose except to the extent you did not incur a Break-in-Service in the Plan Year ending on May 31, 2004 and you earn the minimum before you incur a Break-in-Service. If you do not work the minimum, the rate for your last Covered Hour before the Break-in-Service will apply, as shown in Appendix A.

If you worked for more than one class of employer, your benefit amount is prorated based on the number of hours you worked in each employer class.

### If Your Unit Entry Date Is on or after June 1, 1999

If your employer began contributing for your unit or category on or after June 1, 1999, your accrued benefit is the sum of your future service benefit (as described on page 10) and your past service benefit. Your past service benefit is equal to your Credited Past Service times a specific dollar rate. The dollar rate that applies to you is the rate for the employer class (shown below) in which you have earned at least 501 Covered Hours on or after your Unit Entry Date.

<b>If your employer class is/was...</b>	<b>Your past service benefit equals...</b>		
Idaho Construction	Your years of Credited Past Service	x	\$58.50
Light Commercial/Residential Supplement	Your years of Credited Past Service	x	\$13.50
Montana Construction	Your years of Credited Past Service	x	\$50.75
Non-Construction	Your years of Credited Past Service	x	\$41.50

However, if your Credited Past Service would have been attributable to more than one employer class specified above had your employer been obligated to contribute to the Plan on your behalf, your past service benefit shall be prorated according to the number of hours worked in each employer class.

## Benefit Examples

<b>Benefit Example</b>	
<p>Ed was a Plan participant on June 1, 1999 so his accrued benefit is calculated as described under “If Your Unit Entry Date Is Before June 1, 1999” on page 10.</p> <p>As of June 1, 1999, Ed had 10 years of Credited Service — all with Idaho Construction Employers. Beginning June 1, 1999, Ed worked 1,800 Covered Hours each Plan Year for 16 years, until June 1, 2015, when he retires at age 62, his Normal Retirement Age. (For simplicity, this example assumes that Ed’s employer contributes \$2.20 for each hour worked after May 31, 1999, excluding Supplemental Contributions. Actual contribution rates are established by the applicable Collective Bargaining Agreement or Special Agreement.) Ed’s accrued benefit is the sum of his future service benefit and his old benefit, as follows:</p>	
<b>Ed’s Future Service Benefit</b>	<b>Ed’s Old Benefit</b>
Covered Hours worked from June 1, 1999 through May 31, 2000:           1,800 Contribution Rate:                                 \$2.20 Total Contributions:                               \$3,960 Future service benefit rate:                   1.75% Future service benefit:                         \$69.30	Old benefit rate for Idaho Construction:                                       \$67.57 Ed’s years of Credited Service earned before June 1, 1999:                    x 10 \$675.70
Covered Hours worked from June 1, 2000 through May 31, 2004:           7,200 Contribution Rate:                                 \$2.20 Total Contributions:                               \$15,840 Future service benefit rate:                   1.50% Future service benefit:                         \$237.60	
Covered Hours worked from June 1, 2004 through May 31, 2015:           19,800 Contribution Rate:                                 \$2.20 Total Contributions:                               \$43,560 (disregarding Supplemental Contributions made after September 1, 2009) Future service benefit rate:                   1.00% Future service benefit:                         \$435.60	
<b>Monthly future service            benefit payable at age 62:                       \$742.50</b>	<b>Monthly old benefit            payable at age 62:                                 \$675.70</b>
<p><b>In this example, Ed’s accrued benefit, payable at age 62, equals \$1,418.20 per month — \$675.70 per month for service he earned before June 1, 1999, and \$742.50 per month for service he earned after that date. If Ed elects the Monthly Life Annuity payment form, he will receive this accrued benefit amount (with benefits Ed earned before June 1, 2010 Actuarially Increased to the extent provided in Section VIII) each month for the rest of his life.</b></p>	

### Benefit Example

David became a Plan participant after June 1, 1999 so his accrued benefit is calculated as described under “If Your Unit Entry Date Is on or After June 1, 1999” on page 12.

David enters the Plan on June 1, 2001 and has 3 years of Credited Past Service – all with Montana Construction Employers. Beginning June 1, 2001, David worked 1,800 Covered Hours each Plan Year for 14 years, until June 1, 2015, when he retires at age 62, his Normal Retirement Age. (For simplicity, this example assumes that David’s employer contributes \$2.50 for each hour worked after he entered the Plan, excluding Supplemental Contributions. Actual contribution rates are established by the applicable Collective Bargaining Agreement or Special Agreement.) David’s accrued benefit is the sum of his future service benefit and his past service benefit, as follows:

David’s Future Service Benefit		David’s Past Service Benefit	
Covered Hours worked from June 1, 2001 through May 31, 2004:	5,400	Past service benefit rate for Montana Construction:	\$50.75
Contribution Rate:	\$2.50	David’s years of Credited Past Service at June 1, 2001:	<u>3</u>
Total Contributions:	\$13,500		\$152.25
Future service benefit rate:	1.50%		
Future service benefit:	\$202.50		
Covered Hours worked from June 1, 2004 through May 31, 2015:	19,800		
Contribution Rate:	\$2.50		
Total Contributions:	\$49,500		
(disregarding Supplemental Contributions made after September 1, 2009)			
Future service benefit rate:	1.00%		
Future service benefit:	\$495.00		
<b>Monthly future service benefit payable at age 62:</b>	<b>\$697.50</b>	<b>Monthly past service benefit payable at age 62:</b>	<b>\$152.25</b>
<p><b>In this example, David’s accrued benefit, payable at age 62, equals \$849.75 per month — \$152.25 per month for service he earned before June 1, 2001, and \$697.50 per month for service he earned after that date. If David elects the Monthly Life Annuity payment form, he will receive this accrued benefit amount (with benefits David earned before June 1, 2010 Actuarially Increased to the extent provided in Section VIII) each month for the rest of his life.</b></p>			

## VII. BREAKS IN SERVICE

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If you earn fewer than 501 Covered Hours and/or Contiguous Non-Covered Hours in a Plan Year, you will have a Break-in-Service.

If you temporarily leave work for any of the following reasons, the hours you otherwise would have worked will be counted as Covered Hours solely for purposes of determining whether you have a Break-in-Service, either in the year the absence begins or, if not necessary that year, in the following year:

- Your pregnancy,
- Birth of your child,
- Placement of a child with you for adoption, or
- To care for your newborn or newly adopted child.

Also, for purposes of determining whether a Break-in-Service has occurred, special rules apply if you are on leave protected under the federal Family and Medical Leave Act (FMLA). In addition, as described in Section IV, you will not have a Break-in-Service for any period you leave covered employment for service in the uniformed service. You should contact the Administrative Office if you think any of these rules may apply to you.

Under a special rule, no Break-in-Service occurred for the Plan Years beginning in 1981-1984 for participants who did not have a Break-in-Service in the Plan Year ending on May 31, 1981, who had at least one year of Credited Service as of May 31, 1981, and who have at least one Hour of Service after that date. Also, Breaks-in-Service were determined differently in Plan Years beginning before June 1, 1976 (see the Plan document or contact the Administrative Office for details).

### Permanent Break-in-Service

If you are not vested when you have a Break-in-Service and you have 5 consecutive one-year Breaks-in-Service, you will have a permanent Break-in-Service. If you have a permanent Break-in-Service, you permanently lose all Credited Service, Covered Hours, years of vesting service, and the accrued benefit that you earned before the Break-in-Service. Once you become vested, the permanent Break-in-Service rules no longer apply to you.

## VIII. WHEN YOU CAN RETIRE

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You may retire and begin receiving distribution of your Plan benefits when you are vested and meet the requirements for an early, normal or disability retirement benefit, and you have submitted an application and all required information to the Administrative Office.

There are different retirement benefits available under the Plan, based on your age and the service requirements you have met at the time your retirement benefit will be effective. The type of benefit you take affects the amount of your monthly retirement payments. Also note that your monthly payments will be reduced as described in Section X of this booklet if your benefit is paid in any form other than a Monthly Life Annuity.

The date as of which your payments are scheduled to begin is called your “retirement date.” If your retirement date was before June 1, 1989 (June 1, 1999 for Non-Construction Participants), or if you have not earned any Covered Hours after the above-noted date, different rules may apply in determining your eligibility for early or normal retirement. Consult prior versions of this booklet or contact the Administrative Office for details.

### Early Retirement Benefit

#### *Eligibility*

To be eligible for an early retirement benefit, you must sever employment and reach one of the retirement ages described below. A “severance from employment” means that you have stopped working for your most recent Participating Employer (and you and your employer will be required to certify to the Plan that you have severed employment). If you return to work with this employer within 6 months, the Plan presumes you did not intend to retire and stops benefit payments. You may rebut this presumption with facts that show you did intend to retire.

Early Retirement Age. You reach your Early Retirement Age when you:

- Are age 57 or older, and
- Have at least 10 years of vesting service. (If you are a Montana Participant, you cannot count years of vesting service earned before your applicable Montana Union Entry Date.)

Special Early Retirement Age. You reach your Special Early Retirement Age when you:

- Are age 57 or older,
- Have earned at least 1,800 Covered Hours (without an intervening Break-in-Service) including at least one Covered Hour after reaching age 57, and
- Have at least 10 years of vesting service. (If you are a Montana Participant, you cannot count years of vesting service earned before your applicable Montana Union Entry Date.)

Rule of 85 Retirement Age. You reach your Rule of 85 Retirement Age when:

- You are age 55 or older, and
- Your age plus your years of Credited Service equals 85 or more.

### *Benefit Amount*

If you have reached your Early Retirement Age, your benefit will be based on your accrued benefit as of your retirement date, reduced for your age on your retirement date. This reduction accounts for the longer period of time that you will be receiving a monthly benefit from the Plan. The reduction is ½ of 1% for each month your retirement date precedes your Normal Retirement Age.

If you have reached your Special Early Retirement Age or your Rule of 85 Retirement Age, your benefit will be your accrued benefit as of your retirement date, with no reduction for early retirement. Benefits you earned before June 1, 2010 may be Actuarially Increased if you delay retirement past your Special Early or Rule of 85 Retirement Age. (See the section entitled “Delayed Retirement,” below.)

## Normal Retirement Benefit

### *Eligibility*

To be eligible for a normal retirement benefit, you must reach your Normal Retirement Age.

Normal Retirement Age. You reach your Normal Retirement Age when:

- You are age 62 or older, and
- You satisfy either of the following:
  - You have earned 5 years of vesting service or Credited Future Service, or
  - You have reached the 5<sup>th</sup> anniversary of the time you began participating in the Plan.

### *Benefit Amount*

Your normal retirement benefit equals the accrued benefit you have earned as of your retirement date, Actuarially Increased to the extent provided in the section entitled “Delayed Retirement,” below.

## Disability Retirement Benefit

### *Eligibility*

To be eligible for the disability retirement benefit, you must:

- Have become permanently disabled by a bodily injury, disease, or mental disorder incurred while you are employed or available for employment in the jurisdiction of the Union (excluding disabilities resulting from an intentional self-inflicted injury, drug addiction, substance abuse, alcoholism, or participation in a felonious criminal activity),
- Have earned at least 501 Covered Hours in the Plan Year you became permanently disabled (or in either of the two previous Plan Years), and

- Submit to the Plan Administrator a written determination from the Social Security Administration of total and permanent disability and a disability onset date.

You do not need to be vested in the Plan to qualify for the disability retirement benefit.

### *Benefit Amount*

Your disability retirement benefit equals your accrued benefit as of your retirement date, Actuarially Reduced for each month that your retirement date precedes your Normal Retirement Age. The reduction accounts for the longer period of time that you will be receiving a monthly benefit from the Plan. However, your disability retirement benefit will not be less than 50% of the benefit that would be payable if you retired at your Normal Retirement Age.

If you are receiving salary continuation payments that are treated as Covered Hours from a Non-Construction Employer, your disability retirement benefit cannot begin until those payments end. Also, if you choose a retroactive retirement date (as described in Section X), it cannot be earlier than the date you became permanently disabled.

### Delayed Retirement

If you delay retirement past the date you reach your Special Early, Rule of 85 or Normal Retirement Age, all or part of your benefits may be Actuarially Increased to account for the shorter period of time you will be receiving monthly benefits from the Plan. Specifically, any benefits you earned before June 1, 2010 will be Actuarially Increased if you delay retirement beyond your Special Early, Rule of 85, or Normal Retirement Age. Any benefits you earn after May 31, 2010 will be Actuarially Increased only if you delay retirement beyond your Normal Retirement Age.

If you work in covered employment after reaching Normal Retirement Age, your new benefit accruals are offset by the Actuarial Increases – that is, you get the greater of the new accruals or the Actuarial Increases, but not both. (Before June 1, 2010, new accruals earned after Special Early or Rule of 85 Retirement Age were also subject to offset.) Also, you will not receive Actuarial Increases for any month in which you are working in Covered or Non-Covered Suspendible Employment, as further described in Section IX.

Note that under federal law, you may delay retirement only until your “required beginning date,” which is April 1<sup>st</sup> following the calendar year you reach age 70½.

## **IX. SUSPENDIBLE EMPLOYMENT**

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As explained below, there are certain consequences if you work in Suspendible Employment. With certain exceptions, these rules apply beginning January 1, 2001.

### **Suspendible Employment**

Suspendible Employment is employment that meets the following four conditions:

- *Timing.* The employment is after your retirement date or, if earlier, your Normal Retirement Age (or your Special Early or Rule of 85 Retirement Age with respect to any benefits you earned before June 1, 2010).
- *Industry.* The employment is in any industry in which a Participating Employer participates (i.e., any business activity of the type engaged in by any Participating Employer).
- *Trade or Craft.* The employment is in a trade or craft in which you were employed at any time while covered under the Plan.
- *Geographic Area.* The employment is within the geographic area covered by the Plan, which consists of the portions of the states of Idaho, Montana, and Oregon which comprise the combined territorial jurisdictions of the Union.

Suspendible Employment includes employment meeting the above conditions that is in a supervisory or self-employment capacity.

There are two types of Suspendible Employment for purposes of the Plan:

- *Covered Suspendible Employment* is employment meeting the above criteria that is for a Participating Employer.
- *Non-Covered Suspendible Employment* is employment meeting the above criteria that is for a non-Participating Employer.

To request an advance determination as to whether employment is Suspendible Employment, contact the Administrative Office.

### **Consequences of Suspendible Employment**

If you work 40 or more hours in a month (or in a four or five week pay period ending in a calendar month) in Non-Covered Suspendible Employment after your retirement, you will forfeit your right to benefit payments for those months.

If you work 40 or more hours in a month (or in a four or five week pay period ending in a calendar month) in Covered or Non-Covered Suspendible Employment before you retire, you will not receive an Actuarial Increase to your accrued benefit for a late retirement for these months (as described in Section VIII). Likewise, if you elect a retroactive retirement date, you

will not receive interest on any retroactive payments for these months (as described in Section X).

When it is not possible to determine the actual number of hours you worked in Suspendible Employment in a month, you will be deemed to have worked 40 or more hours where you receive payment for any hours worked on eight or more days (or separate work shifts) that month.

## Exceptions

The Suspendible Employment rules do not apply to the following:

- To any benefit payments, if you retired before January 1, 2001.
- On and after June 1, 2004, to benefits you accrued before January 1, 2001.
- To any months after your required beginning date (April 1 following the calendar year you reach age 70½).

## Procedure

If your benefit payments, Actuarial Increases, or retroactive retirement date interest payments must be suspended because you are working in Suspendible Employment, you will receive notification from the Plan Administrator of the reasons for the suspension. If you engage in Suspendible Employment, you must notify the Plan Administrator during the first calendar month that such employment commences. If you fail to do so and the Plan Administrator learns of such employment, suspension shall occur based on the presumption that you worked at least 40 hours of Suspendible Employment (Covered or Non-Covered, as the case may be) for as long as your employer has performed work at that job site unless you can show facts to the contrary.

Your benefit payments, Actuarial Increases, or retroactive retirement date interest payments will resume no later than the first day of the third calendar month immediately following the calendar month in which you are no longer working 40 or more hours in Suspendible Employment. You must notify the Plan Administrator when you are no longer working 40 or more hours in Suspendible Employment during a month. When your benefit payments resume, any payments that were made that should have been suspended will be deducted.

## X. HOW YOUR RETIREMENT BENEFITS MAY BE PAID

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Since the financial need of each participant differs at retirement, the Plan provides several different forms of payment to assist you in fulfilling your particular needs. The forms of retirement payment are described below. The monthly amount of retirement income differs under each form, but on an actuarial basis the expected value generally is the same for all forms of payment, although this may not be the case if you elect a retroactive retirement date. Note that the Joint & Survivor Annuity (with or without the Pop-Up feature) is available only to married participants.

### Monthly Life Annuity

Under this option, you receive monthly benefit payments for life. After you die, no benefits are paid to any person.

If you are unmarried when you retire, your benefit will automatically be paid as a Monthly Life Annuity unless you elect a Monthly Life Annuity with a Period Certain.

### Monthly Life Annuity With Period Certain

Under this option, your monthly benefit payment is reduced to guarantee your choice of 60, 120, or 180 monthly payments. You receive this reduced amount for life and, if you die before receiving the specified amount of payments, your beneficiary receives the balance of your guaranteed payments.

If you and your beneficiary both die before the specified number of payments have been made, the balance of the payments is payable to the estate of the last survivor of you and your beneficiary.

### Joint & Survivor Annuity

If you choose one of the Joint & Survivor Annuity options, your monthly benefit amount is reduced to guarantee a lifetime income to your surviving Spouse if you die first. You receive this reduced amount for life and, if you die before your Spouse, your Spouse receives a lifetime monthly income as follows:

- A **50% Joint & Survivor Annuity** gives your Spouse half the amount you were receiving before your death.
- A **66<sup>2</sup>/<sub>3</sub>% Joint & Survivor Annuity** gives your Spouse 66<sup>2</sup>/<sub>3</sub>% of the amount you were receiving before your death.
- A **75% Joint & Survivor Annuity** gives your Spouse 75% of the amount you were receiving before your death.
- A **100% Joint & Survivor Annuity** gives your Spouse the same amount you were receiving before your death.

If you are married when you retire, your benefit will automatically be paid as a 50% Joint & Survivor Annuity unless you elect otherwise. You may elect any of the Plan's Joint & Survivor Annuity options without receiving the consent of your Spouse. However, if you wish to elect any form of payment other than a Joint & Survivor Annuity listed above (or if you select a beneficiary other than your Spouse for a Monthly Life Annuity with Period Certain), your Spouse must consent to that election in the form and manner and within the timeframe specified in the Plan's retirement application materials.

## Pop-Up Joint & Survivor Annuity

If you choose a Pop-Up Joint & Survivor Annuity option, you will receive a reduced monthly benefit for your lifetime. (Please note that this reduction is larger than the reduction that would apply to your benefit if you elect the same Joint & Survivor Annuity option without the Pop-Up feature.) If you die before your Spouse, your Spouse receives a lifetime monthly income in the percentage that you specify: 50%, 66<sup>2</sup>/<sub>3</sub>%, 75% or 100% of the monthly amount that was being paid to you.

However, if your Spouse dies before you, your future monthly payments will be increased to the amount that would have been paid if you had chosen the Monthly Life Annuity when you originally retired. This amount will be adjusted for any benefit increases which have occurred since your retirement date, to the extent provided in the Plan document. This new payment amount will begin on the first day of the month following your Spouse's death, and will continue for your lifetime, with no further benefits payable after you die.

<b>Payment Form Example</b>		
Ed retires at age 62, his Normal Retirement Age. His wife is 59 and his accrued benefit is \$1,678.10.		
<b>If Ed selects this form of payment...</b>	<b>Ed's monthly benefit will be...</b>	<b>After Ed's death, his wife's monthly benefit will be...</b>
<b>Monthly Life Annuity</b>	\$1,678.10	\$0
<b>Monthly Life Annuity with Period Certain</b>		
• 60 Payments	\$1,649.41	\$1,649.41 (if applicable)*
• 120 Payments	1,572.55	1,572.55 (if applicable)*
• 180 Payments	1,468.47	1,468.47 (if applicable)*
<b>Joint &amp; Survivor Annuity</b>		
• 50%	\$1,502.24	\$751.12
• 66 2/3%	1,451.53	967.74
• 75%	1,427.44	1,070.58
• 100%	1,359.74	1,359.74
<b>Pop-Up Joint &amp; Survivor Annuity</b>		
• 50%	\$1,473.24**	\$736.62
• 66 2/3%	1,415.62**	943.79
• 75%	1,388.49**	1,041.37
• 100%	1,312.96**	1,312.96
* Ed designates his wife as his beneficiary. If Ed dies before receiving all guaranteed payments (60, 120, or 180), his wife will receive the remaining guaranteed payments. Then, payments end. If Ed dies after receiving all guaranteed payments, his wife will receive no payments.		
** If Ed's wife dies before Ed, his future monthly payments will increase to \$1,678.10.		

## Lump Sum Payment

If the present value of your benefit is \$5,000 or less, you may elect to have your entire benefit paid in a single lump sum payment. You may elect to have the payment made directly to you, or you may elect a direct rollover (see Section XIII).

In general, if you receive a lump sum payment and then return to work, the accrued benefit that was paid and the service related to that payment will not be included in your retirement benefits when you later retire. However, if you return to work before having 5 consecutive one-year Breaks-in-Service, you can repay the distribution (with interest) within 5 years of the date you return to work, but only with respect to benefits earned before November 17, 2006. The repaid benefits will be included in your retirement benefits when you later retire.

## Applying for Retirement Benefits

You can obtain a retirement application by calling, writing or visiting the Administrative Office at the address or telephone number listed at the beginning of this booklet. If you need help filling out your application, the staff at the Administrative Office can assist you.

You should file your application several months in advance of when you wish to begin receiving your benefits. Early filing will help you to avoid delay in the processing of your application and the payment of benefits. Instructions describing the type of documentation you must submit will be included in the materials accompanying your retirement application. Note that once payments begin, you cannot change your decision to receive benefits or your payment option.

## When Payments Begin

Payment of your retirement benefit will begin as of your retirement date. Generally, your retirement date is the first day of the first month after you have fulfilled the conditions for entitlement to benefits and after the later of (1) the date you submit a completed application for benefits, or (2) 30 days after the Administrative Office gives you a written explanation of your benefit options and other notices required by law. (This 30-day period may be waived if you and your Spouse, if any, consent in writing.) Certain participants may elect a retroactive retirement date, as described below. Also, special rules apply to the timing of your retirement date if you apply for a disability retirement benefit (see Section VIII). Finally, your retirement date cannot be later than your “required beginning date” (April 1 after the calendar year you reach age 70½).

## Retroactive Retirement Dates

You may be eligible to elect a retirement date that is in the past, called a “retroactive retirement date.” Specifically, a retroactive retirement date is a date that is on or before the date you received the written explanation of your benefit options and other required notices from the Administrative Office, but not before the earlier of (a) the date you qualified for early retirement benefits and severed employment or (b) the date you reached your Normal Retirement Age. If you did not earn any Covered Hours before June 1, 2004, your retroactive retirement date cannot be more than 3 months before the date the Plan receives your completed retirement application.

If you are eligible for and elect a retroactive retirement date, your benefit will be calculated as if you had retired on your retroactive retirement date. That means you will receive monthly payments in the same amount as if you had actually started receiving payments on your retroactive retirement date. In addition, you will receive a one-time lump sum payment to make up for the missed payments (that is, the payments that were payable from your retroactive retirement date until the date you actually begin receiving payments), including interest on the missed payments. However, if you worked in Covered or Non-Covered Suspendible Employment after your retroactive retirement date, interest may be suspended as described in Section IX.

If you are married, your Spouse must consent in order for you to elect a retroactive retirement date.

## Working After Retirement

Many plans suspend benefit payments when retirees return to work for a Participating Employer, but this Plan does not. If you work at least 401 Covered Hours in any Plan Year after your retirement payments begin, you may earn additional benefits. However, after you reach Normal Retirement Age, any additional benefits earned during the Plan Year are offset by the actuarial value of the payments you received that year—that is, you will be credited with additional benefits only to the extent they exceed the value of the retirement payments you have received. (Before June 1, 2010, additional benefits earned after Special Early or Rule of 85 Retirement Age were also subject to offset.) Your pension will be reviewed each year to determine whether you earned additional benefits for work in the prior year.

If you earn additional benefits, the procedure for payment of those additional benefits varies depending on whether you retired before or after your Normal Retirement Age:

- If you retired *before* your Normal Retirement Age, you must retire again in order to receive any additional benefits you earned through re-employment. You may apply to re-retire and receive your additional benefits once you've severed employment or reached your Normal Retirement Age. You may choose a different form of payment for the additional benefits you earned during your re-employment, but you cannot change the form of payment for benefits you earned prior to your first retirement.
- If you retired *on or after* your Normal Retirement Age, any additional benefits you earn will automatically be paid in the same form that you elected at retirement. You do not need to apply to start receiving the additional benefits.

## **XI. AUXILIARY DISABILITY BENEFITS**

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If you become disabled, you may be eligible for a special benefit called the auxiliary disability benefit. This benefit is paid for a maximum of 24 months during your lifetime. It does not replace or otherwise affect your retirement benefit under the Plan.

### **Eligibility**

To be eligible for an auxiliary disability benefit, you must:

- Have become disabled by a bodily injury, disease, or mental disorder while you are employed (or available for employment) in the jurisdiction of the Union (excluding disabilities caused by an intentional self-inflicted injury, addiction to drugs, substance abuse, alcoholism, or participation in a felonious criminal activity) that is permanent and continuous during the remainder of your lifetime,
- Because of the disability, be incapable of continuing employment with a Participating Employer and incapable of engaging in substantial gainful employment in the plumbing and pipefitting industry,
- Have worked at least 501 Covered Hours in the Plan Year you became disabled (or in either of the previous two Plan Years), and
- Be vested in the Plan.

### **Benefit Amount**

Auxiliary disability benefits are paid on a monthly basis. The monthly payment amount is equal to the monthly payment you would receive if you retired at your Normal Retirement Age and elected a Monthly Life Annuity, Actuarially Reduced for each month that your payment starting date precedes your Normal Retirement Age (but not less than 50% of what it would be at Normal Retirement Age). You may not choose a form of payment for an auxiliary disability benefit other than these monthly payments.

### **Timing of Payments**

Before payments can begin, you must fulfill a 3-month waiting period from the date your disability was initially established. Additionally, at least 30 days must pass after you submit your application for auxiliary disability benefits. Auxiliary disability payments begin on the first day of the month after the waiting periods. However, you may request retroactive payments for up to 3 months (but no earlier than the first day of the month after completion of the 3-month waiting period from the date your disability was initially established). If you are receiving salary continuation payments that are treated as Covered Hours from a Non-Construction Employer, your disability benefit cannot begin until those payments end.

To confirm your continued disability, you may be required to have a medical exam from time to time (not more than 4 times a year). If you refuse, your disability payments may be suspended.

Payments end when one of the following occurs, whichever comes first:

- You become eligible for Social Security disability benefits (in which case payments end on your Social Security disability onset date),
- You recover from the disability,
- You die,
- You retire,
- You reach your Normal Retirement Age, or
- You have received 24 monthly auxiliary disability payments in your lifetime.

## **XII. SURVIVOR BENEFITS**

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The Plan provides benefits for your surviving Spouse or other beneficiary when you die, if certain conditions are met. Any survivor benefit will depend on whether you die before or after your retirement benefits begin.

### **If You Die Before Retirement**

If you die before your retirement benefits begin (even if you are receiving auxiliary disability benefits), a benefit may be payable to your survivor.

#### *Surviving Spouse Benefit*

If you are vested, your surviving Spouse will receive a monthly benefit for life, provided you were married throughout the prior one-year period. The monthly payments are equal to the amount that would have been payable to your Spouse under the 100% Joint & Survivor Annuity, determined as follows:

- If your death occurs after you reach your earliest retirement age, the monthly annuity payments are determined as if you had retired and commenced the 100% Joint & Survivor Annuity on the day before your death.
- If your death occurs before you reach your earliest retirement age, the monthly annuity payments are determined as if you had terminated employment on the date of your death, survived to your earliest retirement age, immediately retired with the 100% Joint & Survivor Annuity, and died the following day.

Your Spouse may elect to commence benefit payments as of the first day of any month following the date of your death. If your Spouse elects to commence benefit payments before your earliest retirement age, benefit payments will be Actuarially Reduced to account for the longer period that your Spouse will be receiving a monthly benefit from the Plan. Your Spouse may defer commencement of the benefit, but not beyond your Normal Retirement Age (determined as if you had survived). If your Spouse defers commencement of the benefit, the monthly benefit amount will be determined as if you had separated from service on the date of your death (or the date you actually separated from service, if earlier), survived to the date elected by your Spouse, immediately retired with the 100% Joint & Survivor Annuity, and died the following day.

For deaths before June 1, 1998, the Surviving Spouse Benefit is determined based on the amount that would have been payable to the Spouse under the 50% Joint & Survivor Annuity, not the 100% Joint & Survivor Annuity.

If the present value of the benefit at the time payment is to commence is \$5,000 or less, your Spouse may elect to have the benefit paid in a lump sum distribution. Your Spouse may elect to have the lump sum paid directly to him or her, or your Spouse may elect a direct rollover (as described in Section XIII).

## *Lump Sum Benefit*

A lump sum payment will be made to your designated beneficiary if nobody qualifies for the Surviving Spouse Benefit (because you are not vested, you are not married, or you have not been married for at least a year) as long as you are a participant on your date of death. (See Section II for an explanation of when you cease to be a Plan participant.) The lump sum amount will be the greater of \$2,000 or 24 times your monthly accrued benefit. If you were required to make mandatory employee contributions (as described in Section III), your beneficiary will also receive any of these contributions you have not already withdrawn, plus interest.

If you leave covered employment to perform qualified military service under USERRA (as described in Section IV of this booklet), and you die while performing such service after December 31, 2006, you will be treated as if you had remained a Plan participant through your date of death for purposes of determining eligibility for the survivor benefits described above (that is, you receive vesting credit but not benefit accruals for the period of your military service).

## If You Die After Retirement

In general, if you die after retirement any benefit payable to your surviving Spouse or other beneficiary will depend on the payment option you elected. However, if you die within 24 months after retirement, and you elected a payment form other than a lump sum, your beneficiary will receive an additional lump sum benefit equal to 24 times your monthly retirement benefit, minus the monthly retirement benefits already paid to you.

## Designating Your Beneficiary

To designate a beneficiary, you must complete a beneficiary designation card and return it to the Administrative Office. The Administrative Office must have received the card before your death. You can obtain the card from your local Union or the Administrative Office.

If you have not designated a beneficiary when you die or if no beneficiary survives you, benefits will be paid in the following order of priority:

- To your surviving Spouse
- To your surviving children, equally
- To your surviving parents, equally
- To your surviving brothers and sisters, equally, or
- To your estate.

If you have designated your Spouse as your beneficiary and you subsequently divorce that Spouse (or your marriage is annulled), such beneficiary designation becomes null and void if the Administrative Office receives written notice of the divorce (or annulment) a reasonable time before your retirement date (or, if earlier, before the Plan begins distributing benefits), unless a

Qualified Domestic Relations Order on file with the Administrative Office provides otherwise. If you wish to name your former Spouse as your beneficiary, you must complete a new beneficiary designation card that names your former Spouse as your beneficiary and send it to the Plan Administrator after the divorce or annulment. It is effective if received before your death. The automatic revocation of your Spouse as your beneficiary does not apply to distribution of your retirement benefit following your death under the Monthly Life Annuity with Period Certain, Joint and Survivor Annuity, or Pop-Up Joint and Survivor Annuity forms of payment described in Section X.

## **XIII. PLAN INFORMATION**

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### Name of Plan

Idaho Plumbers and Pipefitters Pension Plan

### Type of Plan

Defined benefit pension plan

### Identification Numbers

The Trustees' tax employer identification number is 82-6010346, and the Plan number is 001.

### Plan Administrator

The Plan Administrator (as defined under ERISA) is the Board of Trustees. The Board of Trustees is also the named fiduciary. The Board of Trustees can be contacted at:

Board of Trustees  
c/o Administrative Office Idaho Plumbers and Pipefitters Pension Plan  
1220 SW Morrison Street, Suite 300  
Portland, Oregon 97205  
(208) 288-1610  
Toll-free: (800) 808-1687

### Type of Administration

Administered by the Board of Trustees, with the assistance of the Plan's Administrative Office. The address and phone numbers for the Administrative Office are listed above.

### Board of Trustees

The Plan's current Trustees are listed below. This list may change from time to time—for a current list, contact the Administrative Office. Individual Trustees may be contacted by mailing correspondence care of the Administrative Office, at the address above.

#### **Union Trustees**

John Kierce (Secretary)  
Michael Batten  
Mark Hosick  
Sean Smith  
Harry Woodruff

#### **Employer Trustees**

Bill Magnuson (Chairman)  
Melvin Cromwell  
Dan Moylan  
Teresa Paige  
Andy Saltenberger



## Plan Documents

This booklet—called a “summary plan description”—describes the major provisions of the Plan. It does not replace the official documents which legally govern the Plan’s operations. If there is any discrepancy between this summary and the official Plan documents, the official Plan documents will govern.

Copies of the Plan documents and any other materials pertaining to the Plan are available for review. If you wish to see any of these documents, please contact the Administrative Office.

## Participating Employers and Labor Organizations

You or your beneficiary may find out whether a particular employer or employee organization is a sponsor of the Plan, and if it is, receive its address, by writing to the Administrative Office. You may also inspect a list of Participating Employers at the Administrative Office or obtain a copy of the list by writing to the Administrative Office.

## Collective Bargaining Agreements

This Plan is maintained under several collective bargaining agreements between Participating Employers and the Idaho State Pipe Trades Association, UA Local Unions 296 and 648, and Montana UA Local Union 41. If you wish to examine or obtain a copy of any of these Collective Bargaining Agreements, write to the Administrative Office, or contact the Union. You may also inspect any of these Collective Bargaining Agreements at the Administrative Office upon prior request.

## Reciprocal Agreements

The Trustees have the authority to enter into reciprocal agreements with other pension benefit trust funds providing similar benefits to those provided through this Plan, for the exchange of eligibility credits or monies, or for the payment of pro-rata benefits. The Plan credits Covered Hours and Hours of Service for contributions received pursuant to a reciprocal agreement by dividing contributions received by the rate applicable to the Participant’s home local for Construction work during the applicable work month, as further described in Section VI. Hours are credited to the month in which hours are worked.

## Direct Rollovers

You – or, after your death, your beneficiary – may elect to have all or part of a lump sum payment paid directly to an individual retirement account or annuity (IRA), a Roth IRA, or another employer’s plan through a “direct rollover.” However, non-Spouse beneficiaries may elect a rollover only to a special type of IRA or Roth IRA called an “inherited IRA.” Also, a partial rollover is not permitted if the lump sum payment is less than \$500. Before you receive a distribution that is eligible for rollover, the Administrative Office will send you a notice explaining the option of electing a direct rollover and summarizing applicable federal tax rules.

## Legal Process

Legal process may be served on the Board of Trustees at the following address:

Board of Trustees  
c/o IPTT Administrative Office  
1220 SW Morrison Street, Suite 300  
Portland, Oregon 97205

Service of legal process may also be made on any Trustee.

## Circumstances that May Result in Loss or Denial of Benefits

This section lists examples of circumstances which could cause you (or your beneficiary) to not receive benefits you might otherwise reasonably expect:

- You do not meet general participation requirements (as described in Section II),
- You have a permanent Break-in-Service (as described in Section VII),
- The Plan's assets are inadequate to fund benefits,
- The limitation and taxes on benefits imposed by the Internal Revenue Code apply to your benefits,
- Your benefits are subject to a Qualified Domestic Relations Order (as described in the following section),
- The Plan is amended,
- The Plan is terminated and the PBGC recaptures benefits (as described on page 34),
- You die before retiring and have no surviving Spouse or beneficiary, or
- You work in Suspendible Employment (as described in Section IX).

## Qualified Domestic Relations Orders

Benefits under this Plan cannot be assigned, sold, transferred, encumbered, or used to secure debts, or subject to attachment, garnishment, or any other legal process, except in limited situations as provided by federal law (including levies by the IRS) or as expressly provided by the Plan in accordance with federal law. However, enforcement of state qualified domestic relations orders (QDROs) is allowed. A QDRO is a court judgment, decree, or order which governs child support, spousal support or alimony, or marital property rights, and which meets certain requirements under ERISA and the Internal Revenue Code. Payments under a QDRO to a former Spouse or other payee may begin as soon as you become eligible for any type of retirement (other than an auxiliary disability benefit) even if you are still employed.

If the Administrative Office receives a court order of this type, you will be advised in writing. You may receive a copy of the Plan's QDRO procedures and sample QDROs at no charge by asking the Administrative Office.

## Voluntary and Revocable Assignments

You may authorize the Plan to deduct from your pension benefits the value of any obligation you owe to the Idaho Pipe Trades Health and Welfare Plan ("Health Plan"). For example, if you have elected Lifetime Self-Pay coverage under the Health Plan, you may authorize this Plan to pay all or part of your health premiums out of your pension benefits. You may revoke your authorization at any time, except with respect to distributions this Plan already made. If you would like to assign all or a portion of your pension benefits to the Health Plan as described above, you must complete the appropriate authorization form and submit it to the Administrative Office. Contact the Administrative Office for more information and to obtain an authorization form.

## Plan Year

The Plan Year begins each June 1 and ends on May 31 of the following year. All Plan records are kept on that basis.

## Funding

The Plan is funded through contributions made by Participating Employers according to Collective Bargaining Agreements with Unions and Special Agreements with the Board of Trustees. All funds are held in trust by the Trustees.

## Insured Benefits

Your 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 2 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. Under the multiemployer program, the PBGC guarantee equals a participant's years of service multiplied by (1) 100% of the first \$11 of the monthly benefit accrual rate and (2) 75% of the next \$33. The PBGC's maximum guarantee limit is \$35.75 per month times a participant's years of service. For example, the maximum annual guarantee for a retiree with 30 years of service would be \$12,870.

The PBGC guarantee generally covers:

- Normal and early retirement benefits;
- Disability benefits if you become disabled before the plan becomes insolvent; and
- Certain benefits for your survivors.

The PBGC guarantee generally does not cover:

- Benefits greater than the maximum guaranteed amount set by law;
- Benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 years at the earlier of (1) the date the plan terminates, or (2) the date the plan becomes insolvent;
- Benefits that are not vested because you have not worked long enough;
- Benefits for which you have not met all of the requirements at the time the plan becomes insolvent; or
- 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 the Plan Administrator or contact the PBGC's Technical Assistance Division, 1200 K Street NW, Suite 930, Washington, DC 20005-4026 or call (202) 326-4000 (not a toll-free number). If you are hearing impaired, you may call the federal relay service toll-free at (800) 877-8339 and ask to be connected to (202) 326-4000. Additional information about the PBGC pension insurance program is available through the PBGC web site (<http://www.pbgc.gov/>).

## Future of the Plan

Although the Participating Employers and the Idaho State Pipe Trades Association (Locals 296 and 648) and Montana UA Local 41 intend to continue this Plan indefinitely, the Board of Trustees reserves the right to amend or terminate the Plan at any time. Amendments may include retroactive amendments to the extent allowed by law. However, the Plan generally cannot be amended in a way that would reduce the rights you have accrued under the Plan before the amendment. Further, Plan assets cannot be used for any purpose other than providing benefits to participants and beneficiaries and paying the Plan's administrative expenses.

In the event of the termination or partial termination of the Plan, the rights of each affected participant to benefits accrued to the date of such termination, to the extent funded, shall become fully vested, and the assets then held by the Trustees with respect to the Plan will be allocated and distributed to participants and beneficiaries in accordance with ERISA.

## Communications

Written communications (including written communications made electronically) to the Plan Administrator or to the Trustees, or to their delegates, agents, or representatives, must be received before the expiration of any time period specified under the Plan document, this SPD, or in any modifications to the Plan document or SPD. These parties' records will be conclusive as to whether a communication has been received and the date of such receipt, without regard to the common law "mailbox rule," unless the sender produces a United States Postal Service return receipt. The common law "mailbox rule" applies for all other purposes under the Plan and SPD.

From time to time, the above parties may communicate with you via telephone, rather than in writing. The Plan's rules on content and date of sending/receiving written communications also apply to telephonic communications.

## Disputed Payments

If any controversy or disagreement arises regarding the propriety of any payment to a participant or a participant's Spouse, beneficiary, or alternate payee under a QDRO, or if a controversy arises between or among individuals or with any person claiming a right to benefits under the Plan, the Plan Administrator may (a) retain the assets involved, without liability, until resolution to its satisfaction of the controversy or disagreement, or (b) commence an interpleader in a court of competent jurisdiction. The Plan's reasonable expenses incurred in such an interpleader, including attorneys' fees, shall be charged to the accrued benefits in controversy.

## Incapacity

If a benefit under the Plan is payable to an individual who is a minor or incompetent, the Plan Administrator may pay the benefit to a person or institution providing care or other services to such minor or incompetent. Benefit payments made under any such rules shall fully discharge the Plan's obligation to the minor or incompetent.

## Improper Payments

If you are paid any amounts in excess of benefits due, the Plan has the right to recover the excess payment by withholding future payments, by requiring you to make a payment to the Plan, or through legal action. An adjustment for interest, at the Plan's actuarial interest rate, may also apply. Future payments will be adjusted to the correct amount.

## **XIV. CLAIM PROCEDURES**

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### **If Your Claim is Denied**

A claim for benefits under the Plan arises only if you have filed a written request for a benefit determination with the Plan Administrator. The following sets forth the Plan's timelines for deciding your claim, and your appeal rights if your claim for benefits is denied. Please note that there are special rules that apply to a claim that requires a determination of disability ("disability claim"). All references to Plan Administrator in these claim procedures include any designee allocated claim administration responsibilities by the Plan Administrator, or such other person or entity specified in applicable Plan documents.

#### *Pension or Disability Claim Determinations*

#### **Timing of written notice of benefit determination – Benefit Claims Other Than Disability Benefits**

If your claim is for benefits other than disability benefits, a written denial notice will generally be provided to you within 90 days after the date your claim is received by the Plan Administrator. However, if special circumstances require an extension of time for processing the claim beyond the initial 90-day period, written notice of the extension will be furnished to you before the end of the initial 90-day period. An extension of time will not exceed a period of 90 days from the end of the initial 90-day period. An extension notice will explain the reasons for the extension and the expected date of a decision.

#### **Timing of written notice of benefit determination - Disability Claims**

If your claim is a disability claim, a written denial notice will be provided to you within a reasonable period of time, but not later than 45 days after receipt of your claim by the Plan Administrator. If matters beyond the control of the Plan Administrator require an extension of the time for processing your disability claim, the initial period may be extended for up to 30 days. Written notice of an extension will be sent before the end of the initial 45-day period. In addition, another 30-day extension of time for processing your claim due to matters beyond the control of the Plan Administrator may be taken. Written notice of such second extension will be sent before the end of the first 30-day extension period. The extensions shall not exceed a period of 60 days from the end of the initial 45-day period.

An extension notice will explain the reasons for the extension, the expected date of a decision, the standards for a benefit entitlement, any unresolved issues that prevent a decision on your claim, and any additional information needed to resolve those issues. If an extension is required because you have not provided the information necessary to decide your claim, the time period for processing your claim will not run from the date of notice of an extension until the earlier of 1) the date the Plan receives your response to a request for additional information or 2) the date set by the Plan for your requested response (at least 45 days).

## *Contents of Written Notice of Benefit Denial*

If your claim for a benefit is denied, you will be notified in writing by the Plan Administrator. The written notice will include the following:

- the specific reason or reasons for the denial;
- references to the specific Plan provisions on which the denial is based;
- a description of any additional material or information necessary in order for you to perfect the claim, and an explanation of why such material or information is needed;
- an explanation of the Plan's review procedure for denied claims, including the applicable time limits for submitting your claim for review (claims involving urgent care will have a description of expedited appeal procedures); and
- a statement of your right to bring a civil action under Section 502(a) of ERISA if your claim is denied on appeal.

In addition, if your claim is a disability claim, the written notification will also include:

- a copy of any internal rule, guideline, protocol or other similar criterion that was relied upon in deciding your claim for benefits, or a statement that such was relied upon and a copy will be provided free of charge upon request; and
- if the decision was based on a medical necessity or experimental treatment or other similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying Plan terms to your medical circumstances, or a statement that an explanation will be provided free of charge upon request.

## Appeal Procedures

### **Procedure for appeal of denied claim – Benefits Other Than Disability Claims**

If you wish to appeal an initial denial of a claim for benefits other than disability benefits, you or your authorized representative must file a written appeal with the Plan Administrator within 60 days after receipt of written notice of the denial.

You or your authorized representative may submit a written statement, documents, records, and other information. You may also, free of charge upon request, have reasonable access to and copies of Relevant Documents. The review will consider all statements, documents, and other information submitted by you or your authorized representative, whether or not such information was submitted or considered under the initial denial decision. Claim determinations are made in accordance with Plan documents and, where appropriate, Plan provisions are applied consistently to similarly situated claimants.

## **Procedure for appeal of denied claim – Disability Claims**

The appeal procedures set out above for benefits other than disability claims apply to disability claims except that you have 180 days instead of 60 days in which to appeal a denial of a claim with the Plan Administrator. In addition, the following apply to disability claims:

- the appeal decision will not defer to the initial decision denying your claim and will be made by the Plan Administrator who is not a person who made the initial decision, nor a subordinate of such person;
- if the initial denial decision was based in whole or in part on a medical judgment, the Plan Administrator will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment;
- any health care professional engaged for such consultation will not be a person consulted in the initial decision, nor a subordinate of any such person;
- any medical or vocational expert whose advice was obtained in connection with the decision to deny your claim will be identified upon request, whether or not the advice was relied upon.

### **Timing of written notice of appeal decision**

Your appeal generally will be addressed at the next regularly scheduled quarterly meeting of the Trustees after an appeal is received. If, however, your appeal is received within 30 days prior to such a meeting, it will be considered by the second regularly scheduled quarterly meeting after it is received. In addition, if special circumstances require an extension of time for processing your appeal, a decision will be rendered no later than the third regularly scheduled quarterly meeting after your appeal is received. Written notice of any extension of time will be sent before it commences explaining the reason for the extension and the expected date of the appeal determination. Notice of the appeal decision will be provided not later than five days after the decision is made.

If an extension is required because you have not provided the information necessary to decide your claim, the time period for processing your claim will not run from the date of notice of an extension until the earlier of 1) the date the Plan receives your response to a request for additional information or 2) the date set by the Plan for your requested response (at least 45 days from the date of the request).

### **Optional second stage appeal requesting a hearing**

If your appeal is denied by the Trustees at your first stage appeal review, you may request a second stage appeal hearing before the Trustee Appeals Committee. Either you or a representative may present your claim at the appeal hearing. You must request such a hearing to the Plan Administrator within 60 days after notice of the first stage appeal decision. Your appeal will be addressed by the next quarterly meeting of the Board of Trustees, unless your appeal is received within 30 days prior to such a meeting, in which case it will be addressed by the second regularly scheduled quarterly meeting after it is received.

The second stage appeal hearing is optional, and you are not required to undertake it before pursuing legal action. If you request a second stage appeal hearing, any applicable statute of limitations or other timelines will be tolled while the appeal is pending. The Trustee Appeals Committee will be impartial. Whether or not you seek a second stage appeal hearing will have no effect on your rights to any other benefits under the Plan or information about applicable rules. If you choose not to request a second stage appeal hearing, the Plan will not assert that you have failed to exhaust your administrative remedies because of that choice. You will not be charged a fee for the second stage hearing appeal.

### **Contents of written notice of appeal decision**

If your claim is denied on appeal, the decision on review will be in writing and will include the following information:

- the specific reason or reasons for the decision;
- reference to the specific Plan provisions on which the decision is based;
- a statement of your right to receive, upon request free of charge, reasonable access to and copies of all Relevant Documents; and
- a statement of your right to bring a civil action under Section 502(a) of ERISA.

In addition to the above information, in the case of a disability claim, the written decision on review will also include:

- a copy of any internal rule, guideline, protocol or other similar criterion that was relied upon in deciding your claim for benefits on review, or a statement that such was relied upon and that a copy will be provided free of charge upon request;
- if the decision on review was based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying Plan terms to your medical circumstances, or a statement that an explanation will be provided free of charge upon request; and
- the following statement: “You and your Plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U. S. Department of Labor Office and your State insurance regulatory agency.”

### **Relevant Documents**

Relevant Document means any document, record or other information that:

- was relied upon in making a decision to deny benefits;
- was submitted, considered, or generated in the course of making the decision to deny benefits, whether or not it was relied upon in making the decision to deny benefits;

- demonstrates compliance with any administrative processes and safeguards designed to confirm that the benefit determination was in accord with the Plan and that Plan provisions, where appropriate, have been applied consistently regarding similarly situated individuals; or
- if your claim is a disability claim, constitutes a statement of policy or guidance with respect to the Plan concerning a denied treatment option or benefit for the claimant's diagnosis, without regard to whether such advice or statement was relied upon in making the decision to deny benefits.

## Limitations Period

In order to file a lawsuit against the Plan, the Trust Fund, the Plan Administrator, or any of the Trustees, you must file suit within two years after your appeal is denied or, if earlier, the date your cause of action first accrued.

## **XV. YOUR RIGHTS AS A PLAN PARTICIPANT**

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

### **Receive Information About Your Plan and Benefits**

You may examine, without charge, at the Plan Administrator's office and at other specified locations, such as work sites and union halls, all documents governing the Plan, including insurance contracts and Collective Bargaining Agreements, if any, 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.

You may obtain, upon written request to the Plan Administrator, copies of documents governing operation of the Plan, including insurance contracts and Collective Bargaining Agreements, if any, copies of the latest annual report (Form 5500 Series) and an updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.

You may 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.

You may obtain a statement telling you whether you have a right to receive a pension at normal retirement age (generally, age 62) 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 the 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 this statement free of charge.

### **Prudent Actions by Plan Fiduciaries**

In addition to creating rights for Plan participants, ERISA imposes duties on the people who operate the Plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of 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 receiving benefits, 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 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 your claim for benefits is denied or ignored, in whole or in part, you may file suit in a state or Federal court, but only if you have complied with the Plan's required administrative appeals procedures. 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 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 the Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue NW, Washington, DC 20210. You also may obtain certain publications about your rights and responsibilities under ERISA by calling the publication hotline of the Employee Benefits Security Administration.

## XVI. GLOSSARY

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This section provides definitions of certain terms used in this summary plan description.

**Actuarially Increased or Actuarially Reduced** — Refers to an adjustment that is made to ensure two different forms of benefit, or benefits with different starting dates, have equal value. The actuarial factors used to make the adjustment are set forth in the Plan.

- For purposes of annuity payment adjustments and determining present values, actuarial equivalence is the 1971 Group Annuity Mortality Table for Males at 6.0% interest rate.
- For the purposes of improper payments, the actuarial interest rate is 6.0%.
- For purposes of calculating lump sum payments, actuarial equivalence is the “applicable interest rate” and the “applicable mortality rate” as prescribed by the Commissioner of the Internal Revenue Service under Code Sections 417(e)(3)(D) and 417(e)(3)(B) (or successors), respectively. The “applicable interest rate” is the April rate immediately preceding the Plan Year and applies for the duration of the Plan Year.

**Alumni** — An Alumni is an employee who is participating in the Plan pursuant to a Special Agreement which provides for participation of “alumni” as defined in the Special Agreement.

**Break-in-Service** — Any Plan Year in which you have less than 501 Covered and/or Contiguous Non-Covered Hours of Service.

**Collective Bargaining Agreement** — Means an agreement between a Participating Employer and the Idaho State Pipe Trades Association, UA Local Unions 296 and 648, or Montana UA Local Union 41 and any supplement, amendment, continuation, or renewal thereof, by the terms of which such Participating Employer is required to make contributions to the Plan, and which is accepted by the Trustees.

**Construction** — Has the same meaning as that term is defined by the Collective Bargaining Agreement.

**Contiguous Non-Covered Hours** — Non-Covered Hours that you earn with an employer that precede or follow Covered Hours you earn with the same employer, provided that no quit, discharge, or retirement occurs between your Covered Hours and the Non-Covered Hours you earn.

**Covered Hours** — Hours of Service for which your employer is required to contribute to the Plan for your work.

**Credited Future Service** — Covered Hours you earn after your Unit Entry Date. You earn a year of Credited Future Service for each Plan Year (June 1 through May 31) you work at least 1,800 Covered Hours. If you work fewer than 1,800 Covered Hours, you’ll earn a partial year of Credited Future Service. For Plan Years after May 31, 2005, you must work at least 401 Covered Hours to receive partial or full Credited Future Service for a Plan Year for benefit accrual purposes.

**Credited Service** — The total of your Credited Future Service and your Credited Past Service.

**Credited Past Service** — Service you completed immediately before your Unit Entry Date that meets certain requirements.

**Hours of Service** — Each hour you are paid or entitled to payment by your employer on account of your performance of duties or for a period of time during which you perform no duties (irrespective of whether your employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty, or leave of absence. However, you cannot earn more than 501 Hours of Service for any single continuous period during which you perform no work.

**Idaho Construction Employer** — Means an Idaho Participating Employer other than Intermountain Gas Company.

**Montana Construction Employer** — Means a Montana Participating Employer other than Intermountain Gas Company.

**Montana Participant** — Means a participant earning Hours of Service after a Montana Union Entry Date by virtue of employment for a Montana Construction Employer.

**Montana Union Entry Date** — Means the date Montana Participants first became participants covered by a Collective Bargaining Agreement between Montana Construction Employers and Montana UA Local Union 41. The Montana Union Entry Dates are:

- September 1, 1991 for Montana UA Local Union 41.
- January 1, 1997 for Montana UA Local 139 (which merged with UA Local 41 on January 1, 1997).

**Non-Covered Hours** — Hours you are employed in a job classification that does not require your employer to contribute to the Plan.

**Non-Construction Employer** — Means Intermountain Gas Company.

**Non-Construction Participant** — A person who is a participant by virtue of employment with Intermountain Gas Company.

**Participating Employer** — Means any sole proprietorship, partnership, unincorporated association, corporation, or any joint venture; or the United States of America, or any state, county, or municipality; or any other public agency, public corporation, or governmental unit that is a party to a Collective Bargaining Agreement or a Special Agreement. The term may also include an employer association, a labor organization (including the Idaho State Pipe Trades Association and UA Local Unions 296, 648 and 41), and the Trust Fund so that their employees, if any, may be covered by the benefits provided through this Plan, as the Trustees may determine.

**Plan Year** – Begins on June 1<sup>st</sup> and ends on May 31<sup>st</sup> of the following year.

**QDRO (qualified domestic relations order)** — A court judgment, decree, or order that governs child support, spousal support, alimony or marital property rights, and which meets certain requirements under the Internal Revenue Code.

**Special Agreement** — Means an agreement between a Participating Employer and the Board of Trustees, and any supplement, amendment, continuation, or renewal thereof, which obligates the Participating Employer to make contributions to the Plan for the purpose of providing a pension plan for the employees covered by the Special Agreement.

**Spouse** — The person to whom you are legally married and who is treated as a spouse under the Internal Revenue Code. The term “Spouse” includes your former Spouse to the extent provided in a Qualified Domestic Relations Order.

**Union** — Means the Idaho State Pipe Trades Association and UA Local Unions 296, 648, and 41, and any other lawful labor organization that the Trustees may allow to participate in this Plan.

**Unit Entry Date** — The date your employer was first required to contribute to the Plan for your bargaining unit (or for your job category, if you are covered by a Special Agreement).

# APPENDIX A

## Old Benefit Rates Based on Last Covered Hour

If your last Covered Hour was before June 1, 1999 *or* if you had a Break-in-Service before that date and didn't work 1,800 Covered Hours (or 9,000 if you are an Alumni) after your Break-in-Service (as described in Section VI), your old benefit will be calculated using one of the rates below. If you had a Break-in-Service before one of the applicable dates listed below, your old benefit rate does not increase for a Covered Hour worked after that applicable date unless you worked 1,800 Covered Hours (or 9,000 if you are an Alumni) after your Break-in-Service without an intervening Break-in-Service.

<b>If your employer class is/was...</b>	<b>And your last Covered Hour was on or after...</b>	<b>Your old benefit rate (\$) is...</b>
Idaho Construction	June 1, 1991	41.00
	June 1, 1992	42.00
	June 1, 1994	42.50
	June 1, 1995	46.25
	June 1, 1996	51.00
	June 1, 1997	53.00
	June 1, 1999	58.50
	June 1, 2000	61.43
	June 1, 2001	67.57
Light Commercial / Residential Supplement	April 1, 1997	12.00
	June 1, 1999	13.50
	June 1, 2000	14.18
	June 1, 2001	15.60
Montana Construction	June 1, 1991	16.50
	June 1, 1992	19.00
	July 1, 1993	33.00
	June 1, 1994	36.50
	June 1, 1995	42.00
	June 1, 1996	49.75
	June 1, 1998	50.75
	June 1, 2000	53.29
	June 1, 2001	58.62
Non-Construction	June 1, 1991	27.00
	June 1, 1992	27.50
	June 1, 1994	32.00
	June 1, 1995	34.25
	June 1, 1996	36.25
	June 1, 1999	41.50
	June 1, 2000	43.58
	June 1, 2001	47.94

For example, if you worked for an Idaho Construction Employer and your last Covered Hour was on January 1, 1998, then your old benefit rate is \$53.00.

For terminated vested Non-Construction Participants and Idaho Construction participants whose last Covered Hour was before June 1, 1992, accrued benefits as of June 1, 1992 are increased — 7% for Non-Construction Participants and 1.5% for Idaho Construction participants.