# SUMMARY PLAN DESCRIPTION

# IRONWORKERS LOCAL UNION NO. 16

# PENSION FUND


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## JULY 1, 2017

**IRONWORKERS LOCAL UNION NO. 16**
**PENSION FUND**

To All Participants:

Planning for a safe and secure retirement must begin long before the day you finally decide to stop your regular employment and begin a new chapter in your life. The Ironworkers Local Union No. 16 Pension Fund is provided to help you build financial security for your future. It represents only a part of the income you will need so you can make the most of your retirement years. When combined with your personal savings and Social Security benefit, you can increase the potential of a sound financial future. We believe this program provides an important element of security to you and your family, and we are proud to be involved in its operation.

We are pleased to provide this new booklet describing the benefits available to you and your family from the Ironworkers Local Union No. 16 Pension Fund. We urge you to read this booklet carefully and to share it with your family. You have certain rights and obligations under the Pension Plan, which we have described here. In addition, this booklet provides information concerning the day-to-day administration of the Plan, which you may find helpful.

We believe this Summary Plan Description (SPD) accurately reflects the rules and regulations of the Plan, as set forth in the full and formal Pension Plan document. However, this booklet is only a summary of the Plan provisions and, in case of conflict or doubt, the official Plan document governs.

The Plan rules summarized in this booklet generally apply to Participants who were in employment covered by the Plan on or after January 1, 2017. While the SPD also explains some of the benefits and rules in effect prior to this date, if you left Covered Employment or retired prior to this date, you should consult the provisions of the Plan in effect when you left employment to find all of the rules that apply to you.

With our best wishes,

The Board of Trustees

# IMPORTANT TO REMEMBER

Save this booklet. Put it in a safe place. If you lose your copy, you can ask the Fund Office for another.

If you have worked in employment covered by the Plan for five years or more and you leave without definite plans to return in the near future, you may be entitled to a Deferred (Vested) Pension, payable when you have reached retirement age. To protect your future benefit rights, call or write the Fund Office to confirm and fully understand your status and to inform the Fund Office of any change in your address. Arrangements will be made periodically to furnish you with a statement of your benefit rights.

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# BENEFITS AT A GLANCE

| | |
|---|---|
| **Eligibility** | If you are an eligible employee of a Contributing Employer, you are eligible to participate in the Pension Plan the earliest January 1 or July 1 following 12 consecutive months of Covered Employment (or any calendar year thereafter) during which you complete at least 1,000 hours of service. |
| **Enrollment** | You are automatically enrolled in the Plan when you become eligible |
| **Service Credit** | Effective January 1, 2015, you earn future partial or full service credits depending on the number of hours of Covered Employment worked per year as follows: 1600+ hours = 1 year credit; 1200 - 1599 hours = ¾ year credit; 800-1199 hours = ½ year credit; 400 – 799 hours = ¼ year credit. Less than 400 hours = no credit. |
| **Hours Bank** | Any hours that you work in a calendar year in excess of 1,600 will be added to your hours bank. The hours bank rolls over year to year and cannot exceed 3,500 hours in total. Upon retirement, banked hours will be applied to earn additional Service Credits for years in which a full Service Credit was not earned (restrictions apply). |
| **Plan Cost** | Contributing Employers pay the entire cost. You make no contributions to the Plan. |
| **Your Pension Benefits** | Plan benefits are based on the number of accumulated Service Credits and applicable Benefit Rates, as well as your age at retirement. |
| **Vesting** | You become vested when you complete five years of service, with no permanent break in service, during which you complete at least 1,000 hours of Covered Employment in each of the five calendar years. |

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| **When You Can Receive Your Benefits** | You cannot receive vested benefits until you terminate employment with all Contributing Employers. Generally, you must be age 65 to receive your full, unreduced benefit and at least age 55 to receive a reduced pension benefit. However, you may receive your full benefit prior to age 65 if you are eligible for a Service Pension. There are several types of pensions under the Plan:<br><br>▪ Normal retirement pension commences at age 65 or when you are vested, whichever is later<br>▪ Unreduced Service Pension at age 60 with 30 or more Service Credits, or 25 years of Service Credits on or before May 31, 2012.<br>▪ Reduced Service Pension if you retire between the ages of 55 and 59 with 30 or more Service Credits, or 25 years of Service Credits on or before May 31, 2012.<br>▪ Early retirement reduced pension between the ages of 55 and 65 with 10 (but less than 30) Service Credits<br>▪ Deferred Pension after age 65<br>▪ Partial Pension if you earned pension under another Iron Worker affiliate plan and meet the requirements of the International Iron Workers Partial Pension rules<br><br>If the present value of your vested benefit is less than $5,000, you will receive a lump sum payment. |
| **Reduction for Early Payment** | If you elect to receive pension benefits before you attain age 65 and if you are not eligible for an unreduced Service Pension, your monthly benefit will be reduced since you are likely to receive payment over a longer period of time. |
| **Forms of Payment** | |
| **Thirteenth Check** | If you retired prior to 2008 you will receive one additional monthly payment (a thirteenth payment) in January of each year. The additional payment to participants and beneficiaries is equal to the greater of the monthly benefit or $1,000. This additional check will be prorated between Participants and Alternate Payees unless a qualified domestic relations order provides differently. |
| **Pop-Up Provision** | If you retire on or after January 1, 1996 and are receiving a 50% Qualified Joint and Survivor Annuity with your spouse, and your spouse dies before you, your pension benefit will increase to the Single Life pension amount. |

| | |
|---|---|
| **When You Are Ready To Retire** | You need to complete an application for benefits. Notify the Fund Office about three months before your planned retirement. Complete the application and return it to the Fund Office. |
| **Survivor Benefits** | If you die after you have become vested, but before you begin receiving a pension benefit, the Plan pays a benefit to your surviving spouse based on the Service Credits and Benefit Rates at the time of your death.<br><br>Survivor benefits paid after you start your pension will be based on the payment option you elect. |

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## Eligibility

You are eligible to participate in the Plan if you are a member of a collective bargaining unit covered by a collective bargaining agreement requiring contributions to the Plan or an employee of an employer that has signed a participation agreement or other agreement requiring contributions to the Plan.

A complete list of employers and employee organizations sponsoring the Plan may be obtained upon written request to the Fund Office.

You are not eligible to participate in the Plan if you are:

- An employee who is covered by an oral or written agreement, which excludes participation in the Plan.
- A leased employee as defined by the Plan.
- A sole proprietor.

You automatically begin participating in the Plan on the earliest January 1 or July 1 following 12 consecutive months of Covered Employment (or any calendar year thereafter) during which you complete at least 1,000 hours of service.

## Enrollment

You are automatically enrolled in the Plan once you complete your eligibility requirements.

## Your Cost

Contributing Employers pay the entire cost of the Pension Plan. You are not required or permitted to contribute.

# The Pension Formula: How Your Benefit Is Calculated

This section describes how your pension benefit is calculated. The ultimate amount of your pension benefit depends on the form of payment you elect, your age at retirement and whether you are married. Please see "How Your Pension is Paid," page 28 for information about the forms of payment.

You must complete at least five years of Vesting Service before you are eligible for a pension benefit. Please see page 18 for more details about vesting.

Generally, your monthly pension benefit is determined by multiplying your accumulated Service Credits by the applicable Benefit Rates in effect on the date that you terminate employment. Different Benefit Rates may apply for different periods of employment.

## Normal Retirement

### When You Can Retire

Your normal retirement date is the first of the month following your 65th birthday or the date you complete at least five years of Vesting Service, whichever occurs later.

If you continue your employment after age 65, your pension benefits will not begin until you actually retire. You will continue to earn Service Credits until you retire.

### Normal Retirement Pension

If you are an active employee retiring under the Pension Plan, your Normal Pension will be calculated by multiplying the Benefit Rate effective for a specific period of time by the number of Service Credits (including credits from your Hours Bank) earned within this period of time. The Benefit Rates are as follows:

| Effective Date | Benefit Rate (25 years or less) | Benefit Rate (over 25 years) |
|---|---|---|
| January 1, 2015 | $50 | $50 |
| June 1, 2012 | $88.50 | $88.50 |
| January 1, 2011 | $94 | $94 |
| January 1, 2006 | $94 | $125.33 |
| January 1, 2003 | $87* | $116* |

* This dollar amount will apply to all credit earned prior to this effective date provided that you have either earned one quarter Service Credit immediately prior to the effective date or earned one full Service Credit after the effective date.

If you terminated before January 1, 2003 then different Benefit Rates will apply.

**Normal Retirement Pension Example:** Mr. Moore retired on January 14, 2016 at age 65 with a total of 37 Service Credits - 27 Service Credits earned before January 1, 2006, 5 Service Credits earned between January 1, 2006 and January 1, 2011, 1.5 Service Credits earned between January 1, 2011 and June 1, 2012, 2.5 Service Credits earned between June 1, 2012 and January 1, 2015, and 1 Service Credit earned between January 1, 2015 and January 14, 2016. Here's an example of how his benefit is calculated:

| **Date of Retirement** | January 14, 2016 | | |
|---|---|---|---|
| **Mr. Moore's Age at Retirement** | 65 | | |
| **Total Service Credits** | 37 | | |
| **Service Credit Breakdown** | **Service Credits Up to 25** | **Service Credits Over 25** | **Total** |
| **Service Credits Earned Before 1-1-06** | 25 | 2 | 27 |
| **Accruals Before 1-1-06** | $2,175 ($87 x 25) | $232 ($116 x 2) | $2,407 ($2,175 + $232) |
| **Service Credits Earned 1-1-06 to 1-1-11** | 0 | 5 | 5 |
| **Accruals 1-1-06 to 1-1-11** | $0 ($94 x 0) | $626.65 ($125.33 x 5) | $626.65 ($0 + $626.65) |
| **Service Credits Earned 1-1-11 to 6-1-12** | 0 | 1.5 | 1.5 |
| **Accruals 1-1-11 to 6-1-12** | $0 ($94 x 0) | $141 ($94 x 1.5) | $141 ($0 + $141) |
| **Service Credits Earned 6-1-12 to 1-1-15** | 0 | 2.5 | 2.5 |
| **Accruals 6-1-12 to 1-1-15** | $0 ($88.50 x 0) | $221.25 ($88.50 x 2.5) | $221.25 ($0 + $221.25) |
| **Service Credits Earned 1-1-15 to 1-14-16** | 0 | 1 | 1 |
| **Accruals 1-1-15 to 1-14-16** | $0 ($50 x 0) | $50 ($50 x 1) | $50 ($0 + $50) |
| **Total Service Credits** | 25 | 12 | 37 |
| **Total Monthly Pension Benefit** | $2,175.00* ($2,175 + $0 + $0 + $0 + $0) | $1,271.00* ($232 + $626.65 + $141 + $221.25 + $50) | $3,446.00 ($2,175 + $1,271) |

* all pension benefit amounts not already an even dollar or half dollar amount are rounded up to the nearest $0.50

# Early Retirement

## When You Can Retire

You can begin receiving retirement benefits from the Plan as early as age 55 if you have earned at least ten (10) Service Credits. However, if you start receiving a Non-Service Pension benefit before age 65 or a Service Pension benefit before age 60, the amount you receive will be reduced to reflect a longer period of payment.

## Early Retirement – Non-Service Pension

The percentage of the age 65-retirement benefit will be based on the years and months that your retirement age precedes age 65.

## Early Retirement Reduction

Your early retirement pension is calculated in the same manner as the Normal Pension, above, except that your pension benefit will be reduced by 5/9% for each month (6⅔% per year) that you are younger than age 65 as illustrated on the following table:

| EARLY RETIREMENT REDUCTIONS | |
|---|---|
| If Your Payment Begins at Age ... | Your Benefit Is Reduced By... |
| 64 | 6⅔% |
| 63 | 13⅓% |
| 62 | 20% |
| 61 | 26⅔% |
| 60 | 33⅓% |
| 59 | 40% |
| 58 | 46⅔% |
| 57 | 53⅓% |
| 56 | 60%$ |
| 55 | 66⅔% |

**Early Retirement Pension Example:** Mr. Smith is 60 years old and is retiring on January 14, 2016 with a total of 20 Service Credits – 10 Service Credits earned before January 1, 2006, 5 Service Credits earned between January 1, 2006 and January 1, 2011, 1.5 Service Credits earned between January 1, 2011 and June 1, 2012, 2.5 Service Credits earned between June 1, 2012 and January 1, 2015, and 1 Service Credit earned between January 1, 2015 and January 14, 2016. In order to determine the amount of an early retirement pension, the benefit is calculated by reducing the Normal Retirement benefit by the appropriate percentage.

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| Date of Retirement | January 14, 2016 | | |
|---|---|---|---|
| Mr. Smith's Age at Retirement | 60 | | |
| Total Service Credits | 20 | | |
| **Service Credit Breakdown** | **Service Credits Up to 25** | **Service Credits Over 25** | **Total** |
| **Service Credits Earned Before 1-1-06** | 10 | 0 | 10 |
| **Accruals Before 1-1-06** | $870 ($87 x 10) | $0 ($116 x 0) | $870 ($870 + $0) |
| **Service Credits Earned 1-1-06 to 1-1-11** | 5 | 0 | 5 |
| **Accruals 1-1-06 to 1-1-11** | $470 ($94 x 5) | $0 ($125.33 x 0) | $470 ($470 + $0) |
| **Service Credits Earned 1-1-11 to 6-1-12** | 1.5 | 0 | 1.5 |
| **Accruals 1-1-11 to 6-1-12** | $141 ($94 x 1.5) | $0 ($94 x 0) | $141 ($141 + $0) |
| **Service Credits Earned 6-1-12 to 1-1-15** | 2.5 | 0 | 2.5 |
| **Accruals 6-1-12 to 1-1-15** | $221.25 ($88.50 x 2.5) | $0 ($88.50 x 0) | $221.25 ($221.25 + $0) |
| **Service Credits Earned 1-1-15 to 1-14-16** | 1 | 0 | 1 |
| **Accruals 1-1-15 to 1-14-16** | $50 ($50 x 1) | $0 ($50 x 0) | $50 ($50 + $0) |
| **Total Service Credits** | 20 | 0 | 20 |
| **Normal Monthly Pension Benefit** | $1,752.25 ($870 + $470 + $141 + $221.25 + $50) | $0 ($0 + $0 + $0 + $0 + $0) | $1,752.25 ($1,752.25 + $0) |
| **Reduction for Early Retirement (%)** | 33 1/3% (5/9 % x 60 months) | 33 1/3% (5/9 % x 60 months) | 33 1/3% (5/9 % x 60 months) |
| **Reduction for Early Retirement ($)** | $1,752.25 x 33 1/3% = $584.13 | $0 x 33 1/3% = $0 | $1,752.25 x 33 1/3% = $584.13 |
| **Early Retirement Monthly Pension Benefit** | $1,168.50 ($1,752.25 - $584.13)* | $0 ($0 - $0)* | $1,168.50 ($1,168.50 + $0) |

* all pension benefit amounts not already an even dollar or half dollar amount are rounded up to the nearest $0.50

## Service Pension

In the following circumstances, you may be able to receive an unreduced pension benefit before you attain age 65.

If you earn:

- <u>25-Year Service Pension</u>. 25 Service Credits as of June 1, 2012 with at least one hour earned before September 1, 2004, you may retire at age 60 or later with no early retirement reduction.

  If you decide to retire between age 55 and 59 your 25-Year Service Pension will be reduced by one sixth of one percent for each month (2% per year) that your retirement precedes age sixty (60), but the total reduction is capped at ten percent (10%). This is referred to as a "Reduced 25-Year Service Pension."
- <u>30-Year Service Pension</u>. If you are not eligible for the 25-Year Service Pension but have earned 30 Service Credits and are age 60 or older, you may retire with no early retirement reduction.

  If you decide to retire between age 55 and 59 your 30-Year Service Pension will be reduced by (1/2%) for each month (6% per year) that your retirement precedes age 60. This is referred to as a "Reduced 30-Year Service Pension."

Service pension benefits are available only if you retired directly from active service.

## Partial Pension

If you earned Service Credits with another related pension plan, you may be eligible for a Partial Pension benefit from this Pension Plan. The following circumstances must apply:

1. The other pension plan must be a "Related Plan" which means a plan sponsored by a local union or district council affiliated with the Ironworkers International Union that has signed a Pro Rata Reciprocal Agreement.
2. You don't have enough Vesting Service to qualify for a pension benefit under this Plan or the Related Plan or you have enough Vesting Service under one of the Plans to receive a regular pension benefit but you waive the regular pension benefit so that you can receive a Partial Pension benefit.
3. You must have accumulated at least a quarter of Service Credit under this Plan.
4. Your Combined Vesting Service accumulated under this Plan and any Related Plans, would qualify you for a pension benefit under this Plan.
5. You must be eligible for a Partial Pension from both the Related Plan(s) and from the Terminal Plan.

| |
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| The "Terminal Plan" is generally the pension plan sponsored by the Local Union in which you are a member or, if you are no longer a member, the pension plan in which the majority of the contributions were paid into on your behalf in the final 36 months of your employment. |

## Partial Pension Benefit

Your Partial Pension benefit is calculated at this Plan's benefit level based on the year of your retirement multiplied by a fraction:

- The top number is your Service Credits under this Plan (4 years in the example below) and
- The bottom number is your total Service Credits under all Plans, including this Plan (7 years in the example below)

**Partial Pension Benefit Example:** Mr. Stewart retires in 2016 at age 65. He has worked for four years (2012 – 2015) under this Plan and for three years (2009 – 2011) under a Related Plan, Plan Y. His Vesting Service and Service Credits equal:

| | |
|---|---|
| Ironworkers Local Union No. 16 | 4 years |
| Plan Y | 3 years |
| Combined Service Credits | 7 years |

Mr. Stewart is not eligible for a pension benefit from either plan because each requires at least 5 years of Vesting Service. But he is eligible if the service is combined and each plan pays proportionately. This is possible because each plan has signed a Pro Rata Agreement. Since he has earned 2 Service Credits before January 1, 2011, 1.5 Service Credits between January 1, 2011 and June 1, 2012, 2.5 Service Credits between June 1, 2012 and January 1, 2015, and 1 Service Credit between January 1, 2015 and January 14, 2016, this is how Mr. Stewart's pension benefit from this Plan is calculated:

| **Date of Retirement** | January 14, 2016 | | |
|---|---|---|---|
| **Mr. Stewart's Age at Retirement** | 65 | | |
| **Total Service Credits** | 7 | | |
| **Service Credit Breakdown** | **Service Credits Up to 25** | **Service Credits Over 25** | **Total** |
| **Service Credits Earned 1-1-06 to 1-1-11** | 2 | 0 | 2 |
| **Accruals 1-1-06 to 1-1-11** | $188 ($94 x 2) | $0 ($125.33 x 0) | $188 ($188 + $0) |
| **Service Credits Earned 1-1-11 to 6-1-12** | 1.5 | 0 | 1.5 |
| **Accruals 1-1-11 to 6-1-12** | $141 ($94 x 1.5) | $0 ($94 x 0) | $141 ($141 + $0) |
| **Service Credits Earned 6-1-12 to 1-1-15** | 2.5 | 0 | 2.5 |
| **Accruals 6-1-12 to 1-1-15** | $221.25 ($88.50 x 2.5) | $0 ($88.50 x 0) | $221.25 ($221.25 + $0) |

| | | | |
|---|---|---|---|
| **Service Credits Earned 1-1-15 to 1-14-16** | 1 | 0 | 1 |
| **Accruals 1-1-15 to 1-14-16** | $50 ($50 x 1) | $0 ($50 x 0) | $50 ($50 + $0) |
| **Total Service Credits** | 7 | 0 | 7 |
| **Total Pension Benefit** | $600.25 ($188 + $141 + $221.25 + $50) | $0 ($0 + $0 + $0 + $0) | $600.25 ($600.25 + $0) |
| **This Plan's Monthly Pension Benefit** | $343.00 ($600.25 x 4/7)* | $0 ($0 x 4/7)* | $343.00 ($343.00 + $0) |

* all pension benefit amounts not already an even dollar or half dollar amount are rounded up to the nearest $0.50

## Deferred Vested Pension

### When You Can Retire

If you are a vested employee who terminates Covered Employment before retirement age, you are eligible to receive vested pension benefits when you reach age 65. Under certain circumstances, you may be able to receive your vested benefit early. The amount of your vested benefit is based on the benefit levels in effect on the date that you left employment, not on the date that you begin receiving your pension benefit.

### Deferred Vested Pension Benefit

- You are entitled to a Deferred Vested Pension if you last worked in Covered Employment on or after January 1, 1989 and have at least five years Vesting Service when you left Covered Employment
- Benefits are payable when:
  - You reach age 65 or
  - On or after the date you reach age 55 if you meet the Service Credit requirements for Early Retirement.
- If you are eligible and begin collecting your Deferred Vested pension before you attain age 65, your benefit will be reduced using the same reduction percentages that apply for Early Retirement (see page 12).

The amount of your pension benefit is calculated in the same manner as for a Normal Pension, with the reduction where applicable, except your benefit will be calculated based on the benefit level in effect on the last date that you worked in Covered Employment.

**Deferred Vested Example:** Mr. Jones ceases Covered Employment in June of 2008 at the age of 49 with 15 Service Credits. In 2016, at the age of 57, he applies for a Deferred Vested Pension:

| | | | |
|---|---|---|---|
| **Date Covered Employment Ends** | June 1, 2008 | | |
| **Benefit Level in 2008 (for up to 25 Service Credits)** | $87 for Service Credits up to 1-1-06; $94 for Service Credits after 1-1-06 | | |
| **Date of Deferred Vested Retirement** | January 14, 2016 | | |
| **Mr. Jones' Age at Retirement** | 57 | | |
| **Total Service Credits at Retirement** | 15 | | |
| **Service Credit Breakdown** | **Service Credits Up to 25** | **Service Credits Over 25** | **Total** |
| **Service Credits Earned Before 1-1-06** | 12.5 | 0 | 12.5 |
| **Accruals Before 1-1-06** | $1,087.50 ($87 x 12.5) | $0 ($116 x 0) | $1,087.50 ($1,087.50 + $0) |
| **Service Credits Earned 1-1-06 to 6-1-08** | 2.5 | 0 | 2.5 |
| **Accruals 1-1-06 to 6-1-08** | $235 ($94 x 2.5) | $0 ($125.33 x 0) | $235 ($235 + $0) |
| **Total Service Credits** | 12.5 | 0 | 12.5 |
| **Normal Monthly Pension Benefit** | $1,322.50 ($1,087.50 + $235) | $0 ($0 + $0) | $1,322.50 ($1,322.50 + $0) |
| **Reduction for Early Retirement (%)** | 53 1/3% (5/9 % x 96 months) | 53 1/3% (5/9 % x 96 months) | 53 1/3% (5/9 % x 96 months) |
| **Reduction for Early Retirement ($)** | $1,322.50 x 53 1/3% = $705.39 | $0 x 53 1/3% = $0 | $1,322.50 x 53 1/3% = $705.39 |
| **Early Retirement Monthly Pension Benefit** | $617.50 ($1,322.50 - $705.39)* | $0 ($0 - $0)* | $617.50 ($617.50 + $0) |

* all pension benefit amounts not already an even dollar or half dollar amount are rounded up to the nearest $0.50

**Please Note:** Because Mr. Jones left covered employment, his pension is based on the rules in effect on the date that he terminated employment, not the actual date that he began collecting his pension benefits.

## Disability Pension

The disability pension was eliminated for occurrences on or after January 1, 2014. If you become disabled on or after January 1, 2014, then you can apply for an Early Retirement Pension, a Service Pension, or a Normal Retirement Pension if you meet the necessary eligibility requirements.

# Service

Service or time working at Covered Employment is used to determine three (3) factors necessary in your eligibility for a benefit from the Pension Plan: Participation in the Plan, Vesting Service and Service Credits.

## Participation in the Plan

You begin participation in the Plan on the earliest January 1 or July 1 following 12 consecutive months of Covered Employment (or any calendar year thereafter) during which you complete at least 1,000 hours of service.

| |
|---|
| **EXAMPLE:** If you begin Covered Employment on May 1, 2015 and you work at least 1,000 hours by April 30, 2016, you will begin participation in the Plan on July 1, 2016. |

## Vesting Service

### Vesting: Earning Your Right To Your Pension

When you become "vested," you have earned a nonforfeitable right to a benefit under the Plan. If you are currently working in Covered Employment and have completed at least five full years of Vesting Service, you are entitled to begin receiving a pension benefit at age 65, whether or not you are actively employed by a Contributing Employer at the time you retire. This is called being vested in the plan. The amount of your pension benefit will be based on your age when benefits begin and your Service Credits and Benefit Rate at the time you leave Covered Employment.
For calendar years beginning on or after January 1, 1976, you will receive one Year of Vesting Service for each calendar year of Covered Employment during which you complete at least 1,000 Hours of Service. No Vesting Service is awarded for years with less than 1,000 Hours of Service.

**You can earn Vesting Service for certain periods of non-Covered Employment**
If you work for a Contributing Employer, but the job is not covered by the Plan, you can earn Vesting Service for the time in the non-covered job.

- If the job immediately preceding or immediately following the non-covered job is Covered Employment with the same employer, then
- Your service in the job that is **not covered** will be counted toward Vesting Service.

### When You Become Vested

If you were actively employed on or after January 1, 1989, you are vested when you have completed at least five (5) years of Vesting Service, without a permanent break in service, before your Covered Employment terminated.

**Years do not have to be consecutive.** You do not have to complete 5 consecutive years of at least 1,000 hours of service in order to become vested. For example, let's say you begin your Covered Employment in December 2010 and your hours looked like this:

- 2010 – you work 40 hours of Covered Employment
- 2011 – you work 1,500 hours of Covered Employment

**You begin participation in the Plan January 1, 2012**

- 2012 – you work 1,200 hours of Covered Employment
- 2013 – you work 850 hours of Covered Employment
- 2014 – you work 1,400 hours of Covered Employment
- 2015 – you work 1,500 hours of Covered Employment
- 2016 – you work 1,200 hours of Covered Employment

**You become vested in the Plan during 2016** on the date that you complete five years in which you worked at least 1,000 hours in Covered Employment

**You can lose Vesting Service.** If you have a "Break in Service" before you are vested, you may lose your accumulated Vesting Service. Please see "Break in Service" on page 22.

## Service Credits

Service Credits are used to calculate your pension benefit amount and to determine your eligibility for benefits.

You earn Service Credits as soon as you begin Covered Employment, including while you are earning Vesting Service and participation service. Generally, if you leave Covered Employment before you are vested in the Plan, you will lose any accumulated Service Credits.

Under some circumstances, Service Credits and Vesting Service can be reinstated. Please see "Breaks in Service" beginning on page 22.

Generally, Service Credits are based on your work in Covered Employment during each calendar year. The maximum number of Service Credits you may earn in a single year is one. Under certain circumstances, your Hours Bank will be used to award additional Service Credits in years when you have not earned a full credit (please see "Hours Bank" following).

Service Credits are based on your hours worked for which contributions are made to the Pension Fund on your behalf (or required to be made) as determined under Schedules A-E below.

**Schedule A–Hours Worked On or After January 1, 2015**

| Covered Employment Hours During Calendar Year | Service Credits |
|---|---|
| Less than 400 | No credit |
| 400 – 799 | ¼ |
| 800 – 1,199 | ½ |
| 1,200 – 1,599 | ¾ |
| 1,600 and above | 1 |

**Schedule B–Hours Worked On or After January 1, 2011 but Prior to January 1, 2015**

| Covered Employment Hours During Calendar Year | Service Credits |
|---|---|
| Less than 500 | No credit |
| 500 – 699 | ¼ |
| 700 – 999 | ½ |
| 1,000 – 1,399 | ¾ |
| 1,400 and above | 1 |

**Schedule C–Hours Worked On or After January 1, 2008 but Prior to January 1, 2011**

| Covered Employment Hours During Calendar Year | Service Credits |
|---|---|
| Less than 300 | No credit |
| 300 – 599 | ¼ |
| 600 – 899 | ½ |
| 900 – 1,199 | ¾ |
| 1200 and above | 1 |

**Schedule D–Hours Worked On or After January 1, 1993 but Prior to January 1, 2008**

| Covered Employment Hours During Calendar Year | Service Credits |
|---|---|
| Less than 262.5 | No credit |
| 262.50 – 524.25 | ¼ |
| 524.50 – 787.25 | ½ |
| 787.50 – 1,049.25 | ¾ |
| 1,050 and above | 1 |

| Schedule E–Hours Worked Before January 1, 1993 | |
|---|---|
| **Hours of Work in Covered Employment During Calendar Year** | **Service Credits** |
| Less than 500 | No credit |
| 500 – 699 | ¼ |
| 700 – 999 | ½ |
| 1,000 – 1,399 | ¾ |
| 1,400 and above | 1 |

## Hours Bank

At the time of your retirement, your Hours Bank will be used to increase your Service Credit for a year (or years) in which you did not earn a full credit.

Your hours worked in excess of 1,600 hours in a calendar year are credited to your Hours Bank if your employer made contributions to the Pension Fund based on these hours.

You may accumulate up to a maximum of 3,500 hours in your Hours Bank for your lifetime.

Accumulated hours in your Hours Bank will be used at the time of your retirement only and only to get additional Service Credits for your benefit amount or for your eligibility for benefits.

The Hours Bank cannot be used to:

- Become a vested participant or to earn Vested Service;
- Earn more than one Service Credit in any calendar year;
- Repair a Permanent Break in Service except as noted on the following page under "Repairing a Permanent Break in Service";
- Earn Service Credit in years prior to a Permanent Break in Service;
- Earn Service Credit in a year prior to the Plan Year in which an individual first became a Participant in the Plan; or
- Earn Service Credit in any year in which a Participant fails to earn one Service Credit unless the Participant returns to work without a permanent break in service and earns at least 1000 hours of Vesting Service in a Plan Year (without the use of the Hours Bank).
  - Exception: The Hours Bank may be used for one year only, in a year in which a Participant fails to earn one Service Credit, if the Participant earned at least eight hours of service in the year and earned at least 1000 hours (without the use of the Hours Bank) in the immediately preceding Plan Year.

## Break in Service

Once you are vested (earned five years of Vesting Service), you cannot lose Service Credits. However, until you are vested, you can lose both Vesting Service and Service Credits.

### One-Year Break in Service

If you complete fewer than 300 hours of work (262.5 hours between January 1, 1993 and December 31, 2007 and 500 hours prior to January 1, 1993) during a calendar year, you will incur a one-year *break in service.* A *break in service* can affect your right to previous Vesting Service and Service Credits if you leave Covered Employment and are rehired, as described in the following section.

### Rehire

Here's how restoration of Vesting Service and Service Credits are determined if you leave Covered Employment on or after January 1, 1989.

- **If you are not vested:** If you return to Covered Employment and work 300 or more hours within a calendar year, before you incur five (5) consecutive One-Year Breaks in Service, your previous years of Vesting Service and Service Credits will be restored to you.
- **If you are vested:** If you are vested, your Vesting Service and Service Credits cannot be forfeited. If you return to Covered Employment after you incur a break in service, you will continue to accumulate Service Credits.

If you left Covered Employment before January 1, 1989, Plan participation, Breaks in Service, restoration of Vesting Service and Service Credits will be determined according to the rules in effect when you left service

## Permanent Break in Service

If you are not vested and you incur consecutive One Year Breaks in Service (effective January 1, 1985) that equal the greater of 5 consecutive years or the number of Years of Vesting Service you have accumulated to date, you will have a Permanent Break in Service and will forfeit all hours of service and Service Credits accumulated toward Participation Service, Vesting Service and Pension benefits.

### Repairing a Permanent Break in Service

Under certain circumstances, a Permanent Break in Service can be repaired and you can be credited with hours of service and Service Credits previously forfeited.

- The purpose of these exceptions is to allow the reinstatement of Service Credit earned before the break. If you have two or more Permanent Breaks in Service, the repair must be made to the most recent break first in order to earn the lost credits.

- All reinstated Service Credits will be restored at the benefit rate in effect at the time the credits were lost.

There are two ways to repair a Permanent Break:

No. 1 - You may repair a Permanent Break if you meet all of the following conditions:

- Your Permanent Break in Service occurred before December 31, 2003;
- You earn at least ¼ year of Service Credit in 2003;
- You have earned at least 10 Service Credits after the Permanent Break in Service; and
- You have sufficient hours in your Hours Bank to repair the break by applying the banked hours to the calendar year(s) where a Permanent Break in Service occurred to eliminate the break.

No. 2 - You may repair a Permanent Break if you meet all of the following conditions:

- You were a participant in the Plan on or after September 10, 2001; yes
- You earned at least five full Years of Vesting Service prior to the Permanent Break without any intervening Permanent Breaks prior to the Permanent Break that is to be repaired;
- You return to covered employment after the Permanent Break and earn, without any intervening Permanent Break, additional full years of Service Credit that equal or exceed the number of one-year breaks in Service that make up the Permanent Break being repaired.

## Service Credit for Non-Working Periods

Under certain circumstances, you may continue to earn hours and Service Credits while you are separated from Covered Employment: If you don't return to Covered Employment within the period set by the Plan, you will be assumed to have terminated your employment on the last day of the period allowed for your return and the rules governing "Breaks In Service" will apply.

### Military Service

If you were working at Covered Employment for a Contributing Employer at the time that you entered qualified military service and you returned to Covered Employment within the time provided by law, your military service will count toward:

- Service for calculating the amount of your pension benefit and
- Service in determining participation in the Plan, vesting, and eligibility for early retirement or disability pension.
- Service in determining eligibility for the pre-retirement death benefit, if you die as a result of qualified military service.

### Parental and Family Leave

You will receive credit for hours of service for purposes of calculating participation service and Vesting Service if your absence from Covered Employment is due to:

- Your Pregnancy
- The birth or your child
- Adoption or placement for adoption of a child with you
- Time caring for a child, identified above, during the period immediately following the birth, adoption or placement for adoption.
- Family leave under the provisions of the Family and Medical Leave Act of 1993 (FMLA)

### Disability

If you are receiving disability benefits under any Workers' Compensation Law or a Welfare Plan in which the Union participates:

- You will receive 20 hours of credit for Covered Employment for each week of eligible disability as well as any additional credit if required under applicable federal law.
- For periods of disability that occurred before January 1, 1993, you will receive 27 hours of credit for each week of eligible disability.

## Excused Breaks in Service

You will not incur a break in service if the break is less than the time indicated below, and is due to any of the following circumstances:

- Strikes or lockouts up to a maximum of one year
- Employment, for up to a maximum of two years, as an ironworker with another local union affiliated with the International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers, if you earn one full year of Service Credit under this Pension Plan before your retirement.
- Any time spent:
  - In authorized union duties
  - As a full-time paid officer of the Ironworkers District Council
  - As a representative to a building trades council of which the union is a member.

During any period of absence identified above, a Participant shall be credited with the normal number of hours he would have worked but for his absence, but if unknown, up to eight (8) hours per work day.

# How Your Pension Is Paid

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|---|
| Please note that once you elect a form of payment and that payment begins, you cannot change your election at any time. |

It is generally a good idea to apply for pension benefits at least three months before your retirement. This will allow for the timely processing of your first pension check.
All pension benefits are calculated based on your age and the age of your spouse or designated beneficiary. The Plan requires that an adjustment is made to your pension benefit for each full year that your spouse or designated beneficiary is older or younger than you.

The way your pension is paid normally depends on whether you are married at the time you begin receiving payments. However, if you elect no method of payment at the time of your retirement, payment will be made as follows.

## Normal Forms of Payment

**Qualified Joint and Survivor Annuity: If You Are Married**
If you are married and your spouse is a "qualified spouse," a Qualified Joint and Survivor Annuity is the normal method of payment.

| |
|---|
| **Definition:** A "Qualified Spouse" is a spouse to whom you have been married for more than a year as of the earlier of the date you begin receiving your pension benefit or the date that you die. |

This method reduces the amount of your Life Annuity pension benefit, but continues to pay a benefit to your spouse upon your death that is equal to 50% of your monthly pension benefit, for the remainder of her life. The amount of the benefit depends on your age and that of your spouse.

Qualified retirement plans, such as the Ironworkers Pension Plan, are required by law to provide at least a 50% pension benefit to surviving spouses to assure they continue to have a pension income after your death.

| |
|---|
| Your spouse must give written, notarized consent that is approved by the Trustees to relinquish this benefit and change the form of payment to one of the alternative options explained below. |

**Pop-Up Provision:**

If you retired on or after January 1, 1996 and:

- You are receiving a Qualified Joint and Survivor Annuity and
- Your Qualified Spouse predeceases you,

Your monthly pension benefit will be increased for the remainder of your lifetime to an unreduced amount as if you had retired and elected the Life Annuity option described below.

**If Your Spouse is not a "Qualified Spouse"**

If you die and your spouse is not a "Qualified Spouse" under the rules of the Plan, you are considered single on the date of your death and your spouse will not receive an annuity unless you specifically elect a non-spouse beneficiary annuity form of benefit explained below.

**Life Annuity:**

If you are single or if your Spouse is not a qualified spouse, the normal method of payment is a Life Annuity. You will receive monthly pension benefits for the rest of your life. At your death all payments will stop.

## Alternative Forms of Payment

Besides the two normal methods of payment, described above, the Plan offers several additional choices for your pension benefit. They may suit your personal circumstances better than the normal methods of payment.

You must reject the "Normal" form of payment, above, if you want to elect one of the Alternate Forms of Payment described below.

If you are married, your spouse must agree in a notarized written statement if you want to receive payment in a form other than the 50% Qualified Joint and Survivor Annuity or if you elect a beneficiary other than your spouse. You and your spouse are entitled to consider information about your pension benefit options for a period of time between 30 and 180 days prior to your retirement date. You and your spouse may reduce the 30 day waiting period to 7 days by signing a waiver.

**Joint and Survivor Options**

This form of payment is similar to the 50% Qualified Joint and Survivor Annuity but you can choose to provide 50%, 75%, or 100% of your monthly benefit to your designated beneficiary. Your designated beneficiary may be, but does not have to be, your spouse. If you die, your designated beneficiary will receive 50%, 75% or 100% of your reduced benefit depending on the percentage you selected. The higher the benefit you provide to your designated beneficiary, the greater the reduction to your benefit.

In order to select the 75%, or 100% options with a non-spouse beneficiary, the beneficiary must be of certain age. Federal law may restrict your ability to name a non-spouse beneficiary who is more than 10 years younger than you. Contact the Fund Office if you need more information about this age limitation.

If you retired on or after January 1, 1996 and select the 50% Qualified Joint and Survivor Annuity option with your Qualified Spouse and if your spouse dies before you, the "pop-up" benefit will apply and your monthly pension benefit will be increased for the remainder of your lifetime to the Life Annuity amount.

**Single Life Pension with 60-, 120- or 180-Month Guarantee Options**

If you elect the Single Life Pension with a 60, 120 or 180-month guarantee, payment will be guaranteed for the 60-month (5 years), 120-month (10 years) or 180-month (15 years) period starting with your retirement date.
If you should die prior to receiving the guaranteed number of monthly payments, payments will continue to your designated beneficiary for the remainder of the guarantee period.

If you live longer than the guarantee period, you will continue to receive benefits for the remainder of your lifetime. However, once you have lived beyond the guarantee period, benefits will end at your death. This option may provide a higher monthly benefit than a Joint and Survivor Option, but your beneficiary may not receive as much benefit if you die first.

If you and your designated beneficiary both die before the guaranteed number of monthly payments, benefits will be paid according to the schedule set out on page 28 under "Designating a Beneficiary."

**Life Annuity Option** In addition to the Life Annuity being the normal form of benefit for single participants, married participants may also elect this alternative form of payment. With this form of payment, you will receive monthly pension benefits for the rest of your life. At your death, all payments will stop, even if you spouse survives you.

## Thirteenth Check

If you retired prior to 2008 you will receive one additional monthly payment (a thirteenth payment) in January of each year. The additional payment to participants and beneficiaries is equal to the greater of the monthly benefit or $1,000. This additional check will be prorated between Participants and Alternate Payees unless a qualified domestic relations order provides differently.

## Changing Your Election

Once you elect a form of payment, you may not change your election. Your pension benefit payment will not change unless you have elected the Qualified Joint and Survivor Annuity and your spouse dies first.

**Alternative Forms of Payment: If you or your beneficiary dies before your election becomes effective**

If you die:

- After electing an Alternative Form of Payment but
- Before the election becomes effective

The election will be void and your spouse will receive benefits as though you had elected the Qualified Joint and Survivor Annuity.

If your beneficiary (or spouse) dies:

- After you elected an Alternative Form of Payment but
- Before the election becomes effective

The election will be void and you will be treated as though you had made no election.

# Survivor Benefits

## Designating A Beneficiary

You may designate one or more beneficiaries as set down by the Plan. The following rules apply:

- If you are married and you want to name any person other than your spouse as designated beneficiary, your spouse must sign a notarized consent form that is approved by the Trustees.
- If you have named more than one beneficiary, you must indicate what share each beneficiary will receive. If no such designation is made, then benefits will be paid equally to each surviving beneficiary.
- If you do not name a beneficiary or your beneficiary predeceases you and no new beneficiary is named before your death, benefits if any are payable to a beneficiary, will be paid, divided equally when necessary, in the following order:
  - Surviving spouse.
  - Surviving children, including legally adopted children.
    - If children are less than age 19, the benefit will be paid to the guardian(s) of the children equally.
  - Surviving parents.
  - Surviving brothers and sisters.
  - Executors or administrators of your estate.

## Changing Your Beneficiary

You may change your designated beneficiary at any time. If you are married, your spouse must provide written, notarized consent, approved by the Trustees.

The beneficiary change will be effective if it is received by the Fund Office before any benefits under the Plan are paid to the designated beneficiary on file.

## If You Die After Retirement

If you die after your pension benefits begin, benefits will cease or continue to your pension beneficiary based on the election you made prior to your retirement.

## If You Die Before You Retire

### Before You Are Vested

If you die before you are vested, your survivors are not entitled to a benefit from the Plan.

### After You Are Vested: If Your Spouse is a "Qualified Spouse"

If you have been married for at least one year at your death and you have completed at least five years of vesting service (are vested) and you die before you retire, your spouse's benefit will be determined as if you had retired electing a Qualified Joint and Survivor Annuity on the day before your death.

The amount of the benefit is based on the Plan in effect and the total Service Credits you earned as of the date of your death.

Payments will begin on the later of:

- The first day of the month following your death, or
- The first day of the month following the date you would have become eligible to retire, or
- Early retirement reductions may apply (please see page xx), depending on your age and Service Credits as of the benefit commencement date.

If you die while performing qualified military service, such service will count towards your eligibility for this benefit, but not towards the amount of your benefit.

### After You are Vested: If You Do Not Have a "Qualified Spouse"

If you are not married or you have been married for less than a year at the time of your death, your designated beneficiary may be entitled to one of the following benefits:

- If you have earned 10 or more Service Credits, your beneficiary will be entitled to a death benefit equal to $300.00 multiplied by the number of Service Credits you have accumulated up to a maximum of $7,500. This benefit will be paid out in monthly installments.
- If you have accumulated at least 500 hours of service in one or both of the two plan years before your death, your designated beneficiary will be entitled to receive a $2,500 death benefit.

## Work After Retirement

In general, when you retire from Covered Employment, it is assumed that you retired from the industry. You must sever all employment with a Contributing Employer upon retirement.

If after you retire, you decide to go back to work, you may request, in writing, a determination from the Board of Trustees as to whether work that you intend to perform will suspend your entitlement to collect pension benefits from the Ironworkers Local Union No. 16 Pension Fund.

- Work in other industries, regardless of the amount you earn, will not affect your pension benefits.
- In most cases, if you return to work in the iron working industry or directly supervise those who work in the iron working industry, your pension benefit will be suspended.
- Under certain circumstances described below however, you are permitted to work in the industry and still receive pension benefits under this Plan.

**IMPORTANT**

**You must notify the Fund Office immediately, but no later than 30 days after you return to work in the industry**

If your retirement benefits are stopped because you have gone back to work in the iron working industry, your benefits are suspended for the months during which you are employed, and for an additional period of two months after you stop working. Your benefits will resume in the third month after the month you stop working.

If you return to work prohibited by the Plan and fail to notify the Fund Office within 30 days of accepting employment, your benefits may be suspended for an additional period of 12 months after you stop working. Your benefits will resume in the 13$^{th}$ month after the month you stop working.

### If You Return to Work Before Age 65

In general, your pension benefits will be suspended for any month you work in the following:

- Covered Employment with any Contributing Employer
- Employment with any employer anywhere in the country, including a Contributing Employer, where you:
  - Perform work using the skills of the ironworker trade; or
  - Perform work within the trade jurisdiction of the Union; or
  - Supervise employees using the skills of the ironworking trade.

### If You Return to Work After Age 65

If you are age 65 (Normal Retirement Age) or older and return to work:

- For a Contributing Employer or
- A non-Contributing Employer or
- As self-employment

Your pension benefits will be suspended for the month in which you are working if your work is:

- In a type of position covered by the Plan; and
- In the ironworking industry; and
- Is within the geographic jurisdiction of Local Union No. 16; and
- You are working 40 or more hours in a month.

Employment described above for less than 40 hours in a month, or any other type of work, will not result in the suspension of your pension after you reach age 65.

**Exceptions.** Notwithstanding the above, you may work in the industry whether you are under or over age 65 in the following types of employment:

- Temporary employment with a Contributing Employer when the Union has certified a labor shortage and retirees are authorized to return to work on a certain job(s), in a certain specialty(ies) or for a certain period(s) of time due to this shortage of labor.
- Estimating and inspection work where the retiree is not working with the tools.
- Work in the home improvement filed performed on single family homes, rowhouses or townhouses.
- Supervision of a crew made up of 50% or less ironworkers.

### Recovery of Overpayment

If your pension is suspended for months in which you have already received a payment, the amount you owe the Fund will be deducted from your pension benefit when it starts again.

After you reach Normal Retirement Age, no more than 25% of your pension check can be deducted, except for the first check following suspension, from which up to 100% may be deducted.

### If You Return to Covered Employment

**IMPORTANT:** As a pensioner, you may return to Covered Employment and accrue additional Service Credits.

- If you return to Covered Employment and earn at least one Year of Vesting Service, you will earn additional pension credit and a higher pension when you retire again, taking into account your additional service.
- All additional benefits will be calculated using the benefit rate in effect when you were working.
- All benefits earned before your benefit was suspended will be calculated using the benefit rate in effect when you first retired.
- Any reduction for Early Retirement Pension made when you first retired will be adjusted for the months your benefit is suspended due to employment.
- Adjustments to benefits shall be made the later of the beginning of the Plan Year following the Plan Year in which the credit was earned or the beginning of the Plan Year following the Plan Year the Participant has ceased working.
- If a participant retires before Normal Retirement Age and returns to Covered Employment, the original Effective Date does not apply to any subsequent benefits accrued and those benefits will be payable in a the Normal Form of benefit or in a form selected by the Participant and where applicable, his spouse, following the Participant's subsequent retirement.

# Important Terms Under the Plan

The following terms have a specific, technical meaning when used in connection with the Plan.

**Alternate Payee.**

"Alternate Payee" means a spouse, former spouse, child or dependent of a Participant who may be eligible for benefits under the Plan as a result of a Qualified Domestic Relations Order (see below) or other court order.

**Beneficiary.**

"Beneficiary" means a person (other than a Pensioner) who is receiving benefits under this Plan because of designation for such benefits by a Participant or by terms of the Plan. A "Beneficiary" may also be an "Alternate Payee."

**Calendar Year.**

"Calendar Year" means the period January 1 to the next December 31. The calendar year shall serve as:

- The vesting computation period
- The benefit accrual computation period, and,
- After the initial period of employment, the computation period for eligibility to participate in the Plan.

For Purposes of eligibility to participate in the Plan, the first calendar year for eligibility will be computed including the anniversary date of the date of hire.

**Collective Bargaining Agreement.**

"Collective Bargaining Agreement" or "Agreement" means the written labor contract between the Union and the Ironworkers Glaziers Employers Association or any other agreement between the Union and any Employers which requires contributions to the Fund.

**Continuous Employment.**

Two periods of employment are Continuous if there is no resignation, quit, discharge, or other termination of employment between the periods.

**Contributing Employer.**

"Contributing Employer" or "Employer" means any company, person, partnership, business organization, non profit organization, or other entity required to make contributions to the Fund under a Collective Bargaining Agreement with the Union or under other agreement requiring contribution to this Fund.

"Employer" shall also include the Union and the Local Union No.16 Apprenticeship and Training Fund to the extent each has signed an agreement requiring such contributions.

**Contributing Period.**

"Contributing Period" means the period during which the employer is a Contributing Employer with respect to the unit or classification of employment.

**Covered Employment.**

"Covered Employment," means employment of an Employee by an Employer for which the Employer has agreed to contribute to the Fund for the Employee under a Collective Bargaining Agreement or other agreement.

**Employee.**

"Employee" means a person who is an employee of an Employer and who is covered by a Collective Bargaining Agreement or a participation agreement or other written agreement requiring Employer Contributions on his behalf.

The term "Employee" does not include any self-employed person, sole proprietor or owner of an unincorporated business organization.

**Hour of Service.**

"Hour of Service" means any hour for which and employee is directly or indirectly paid or entitled to payment by an Employer for the performance of duties or for periods of paid leave (such as vacation time, holidays, sickness, disability, paid layoffs, jury duty, and similar periods of paid non- working time).

**Normal Retirement Age.**

"Normal Retirement Age" means age 65, or, if later, the age of the participant on the fifth anniversary of participation.

**Participant.**

"Participant" means a Pensioner or an Employee who meets the requirements for participation in the Plan.

**Pensioner.**

"Pensioner" means a person to whom a pension under this Plan is being paid or to whom a pension would be paid but for a time for administrative processing.

**Pension Fund.**

Pension Fund or Fund means the Ironworkers Local Union No. 16 Pension Fund established under the Trust Agreement.

**Pension Plan.**

"Pension Plan" or "Plan" means the official Plan document as adopted by the Trustees and as thereafter amended or restated by the Trustees.

**Qualified Domestic Relations Order.**

"Qualified Domestic Relations Order" means any duly entered judgment, decree or order (including approval of a property settlement) made pursuant to a state domestic relations law (including a community property law);

- Which relates to the provisions of child support, alimony payments, or marital property rights to an Alternate Payee and
- Is approved by the Trustees as conforming with the Plan and the law.

**Trustee.**

"Trustee" shall mean any person designated as Trustee. The terms "Board of Trustees", "Board" and "Trustees" mean the Trustees as one body.

**Union.**

"Union" means Local Union No. 5 of the International Association of Bridge, Structural and Ornamental Ironworkers

# Applying for a Pension

If you plan to retire, it is best that you start the process early. This will avoid delay in the processing your application and payment of benefits.

- You must file a written application with the Board of Trustees. You can request a form from the Fund Office.
- Upon application, you will receive from the Fund Office information about the normal form and optional forms of benefits and the financial effect of selecting an optional form of benefit.
- You must provide proof of your marital status and your spouse must sign any waiver of a normal form of benefit.
- You will be provided information about the forms of benefits available to you and you may consider this information for a period of time between 30 days and 180 days prior to your intended retirement date.

Your pension benefit will begin no earlier than the first of the month following the month in which you submit your fully completed application but under no circumstances will your pension effective date be sooner than the mandatory waiting period of 30 days (or 7 days with a signed waiver) following your receipt from the Fund Office of information about the optional forms of benefits available to you. Pensions are paid monthly. Your monthly benefit will, at your election, be mailed to you or deposited in the savings or checking account of your choice.

## If You No Longer Work in Covered Employment

If you no longer work in Covered Employment, but are vested and eligible for a pension benefit, you may apply for a benefit whenever you are eligible. Under most circumstances your pension benefit should commence at Normal Retirement age, which is age 65. You should contact the Fund Office at least 90 days before you reach this age.

## Compulsory Commencement of Pension Benefits

Whether or not you have applied for a pension, your pension will commence the April 1 following the year in which you become age 70½ unless you are still working for a Contributing Employer in which case you may delay the commencement of your pension until you terminate employment.

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| If you were a 5% or greater owner of a Contributing Employer, you cannot delay the commencement of your benefit beyond the April 1 following the year in which you become age 70½. |

## Commencement of Benefits

Generally, if you have met all the requirements of the Pension Plan, including the advance application filing, your pension will begin on the first day of the month following the month in which your application is received by the Fund Office.

## Fraudulent Claims and Right of Recovery

If you willfully make false statements or furnish fraudulent information or proof (including withholding pertinent information) that is material to your application the Fund has the right cease any benefit payment until the correct information is provided. In addition, any non-vested benefits provided under this Plan may be denied, suspended or permanently terminated.

The Fund has the right to recover, through legal proceedings, any excess benefits paid in reliance on any false statement, fraudulent information or proof (made or withheld), including interest and costs without limitation. Recovery will be made through offset of benefits until such benefit payments are restored to the Plan.

In addition, the Fund has the right to recover any benefit payments made to you or your beneficiary by mistake. The Fund may recover through legal proceedings or through offset of future benefits until such mistaken benefits payments are restored to the Plan.

## If Your Application Is Denied

**For Pension Benefit Claims.** If your application for benefits is denied in whole or in part, you (or your spouse) will receive a written notice of the denial within 90 days of receipt by the Fund Office. If required by special circumstances, such as the need for additional information, this period may be extended for an additional 90 days, for a maximum of 180 days, and you will be informed that additional time is required.

**If additional information is required,** you will have up to 45 days to provide the required information.

**If your claim is denied,** you are entitled to appeal a claim that is denied in whole or in part and it will receive a full review. A claim appeal must be submitted in writing to the Board of Trustees and may be made by you or an authorized representative acting on your behalf.

Your appeal must state:

- Why you believe that you are entitled to a benefit
- Why you disagree with the Fund Office, including identification of any pertinent Fund policy, Plan provision or document that supports your claim.

The appeal must be received by the Board of Trustees within 180 days of the date you received the final, written denial of your claim for benefits. If you don't appeal a denied claim within the 180 days period, you will have waived your right of appeal and the denial of the claim will be final and binding, unless further consideration is permitted in the sole discretion of the Board of Trustees.

**Decision of the Trustees.**

- You will receive written notice of the decision of the Trustees. The notice will explain the reasons for the decision and
  - Will include references to pertinent Plan provisions and
  - May indicate if additional information might help your claim.

If you have additional information, you may resubmit your appeal with this information in writing to the Trustees. The Trustees will have sole discretion to determine whether the additional information warrants a reconsideration of the appeal.

**Generally, the Board of Trustees will make a decision on your appeal** no later than the date of the regularly scheduled quarterly meeting following the receipt of your appeal.

However, if your appeal is received within 30 days or less of a regularly scheduled quarterly meeting or if special circumstances apply, the decision of the Board of Trustees may be extended to a date no later than the third Board of Trustees meeting following the receipt of your appeal.

Once your appeal is heard a notice of the decision shall be mailed to you within 5 days after it is reached by the Trustees.

**The Trustees shall have sole authority and discretion to interpret the Plan** documents and make determinations as to claims for benefits, including but not limited to, eligibility for benefits, the amount of benefits payable, if any, to which you are entitled and any other issue raised on appeal. The decision of the Board of Trustees or its designated Committee shall be final and binding on all concerned, but may be subject to judicial review.

## Important Appeals Information

You have the right to seek judicial review under Section 502 of ERISA (29 U.S.C. §1132). Under most circumstances however, you may not bring any legal action to recover under the Plan unless you have properly pursued and exercised all claim and appeal rights provided in the Plan and the requested Plan benefits have been denied in whole or in part (or there is any other adverse benefit determination).

If you want to seek judicial review of a denied appeal, the Plan document requires you to file any civil action within one (1) year after the date of the final adverse determination of the Trustees or you will be forever prohibited from commencing such action.

# Important Plan Information

## How Benefits Are Taxed

This Plan is intended to operate as a qualified plan under Sections 401(a) of the Internal Revenue Code. Qualification of the Plan means that benefits accrued under the Plan are not subject to federal income tax until paid to you or your beneficiary. When you or your beneficiary begins receiving payments from the Plan, the payments are subject to income tax withholding.

If, however, you or your surviving spouse receives a lump-sum payment, it may be eligible to rollover to an Individual Retirement Account (IRA) or to another employer plan that accepts rollovers. In this case, if you or your surviving spouse chooses to directly roll over your account, taxes will be deferred and withholding will not apply. In addition, your non-spouse beneficiary may be eligible to rollover a lump sum distribution to an inherited individual retirement account or annuity.

- Payments from the Plan in the form of an annuity are not eligible to roll over.
- All or a portion of some lump-sum payments may not be eligible to rollover.

In general, the Fund Office, the Trustees and all other persons acting on behalf of the fund make no representation concerning the potential tax liability under federal, state or local laws. It is recommended that you consult with your professional tax adviser concerning any questions relating to potential tax liability generally, including potential tax liability that may result from the choice of the various optional forms of payment under the Plan.

## Social Security Benefits

Social Security benefits are paid independently from your Pension benefits and do not affect the amount of your Pension benefit.

In addition to income from the Pension Plan, you may be eligible for Social Security retirement benefits for yourself and, if you are married, for your spouse. Social Security benefits begin at different times based on the date of your birth.

If you have questions, contact your local Social Security Administration office.

## Maximum Annual Retirement Benefit

The Internal Revenue Code limits the annual amount of benefit to a dollar limit specified in Section 415 of the Internal Revenue Code. The amount is $215,000 for 2017. This figure is subject to automatic future indexing.

## Non-Assignment of Benefits

Your value in the Plan may not be assigned, sold, transferred or pledged as collateral, nor may a creditor attach your value in the Plan as a means of collecting a debt owed by you.

However, benefits may be attached to satisfy a federal tax levy and state courts can rule that benefits be paid to someone other than yourself or your named beneficiary, in accordance with a Qualified Domestic Relations Order (QDRO), relating to child support, alimony payments or marital property rights.

## Notification of Address/Bank Change

It is important that you notify the Fund Office in writing as soon as possible if you have a change of address or you change your bank and/or direct deposit account. If any monthly pension benefit is returned because you are no longer residing at the address you furnished the Fund Office or you have changed your bank and/or direct deposit account and you failed to notify the Fund Office, the Fund may not be able to send your pension benefit payment to you until you provide your current address or correct bank information.

## How Benefits and Service Are Lost

You may lose part or all of your pension benefits in these situations:

- You may lose Vesting Service if you have a permanent break in service and you are not vested when you terminate employment (see "Break In Service" on page 22).
- **Disqualifying Employment**
  - If you are less than age 65 and you begin receiving pension payments and later return to "Disqualifying Employment" within the Industry your pension payments will be suspended for the months you are working plus two additional months after you stop working (up to 12 additional months if you fail to notify the Fund Office of your return to work) after you have completed one or more months of Disqualifying Employment.
  - Generally, if you are age 65 or older and you return to "Disqualifying Employment" and work 40 or more hours in a Plan month, your pension benefit will be suspended. Benefits will no longer be suspended beyond the March of the calendar year following the year in which you reach age 70½.

> If you are receiving a Pension benefit, it is a good idea to contact the Fund Office before you return to employment to verify whether the employment would affect the payment of your pension benefit.

- If the Plan is terminated without enough assets to provide all pension and survivor benefits, your benefit may be affected (however, there is government insurance that protects your benefit, see "Plan Termination Insurance" on page 41).

- If a special court order called a Qualified Domestic Relations Order (QDRO) states that all or part of your benefit must be paid to someone else. Please see the section "Non-Assignment of Benefits" on page 41.

The Plan is operated under the assumption that it is a Qualified Plan under the Internal Revenue Code, that employer contributions are tax deductible and that no amounts are contributed in error. Any deviation from these assumptions could affect your benefit.

If your claim for benefits is denied in whole or in part, you have the right to appeal. See "Appealing a Claim" on page 37 for more details.

## Contributions

No contributions are required of or accepted from you. All contributions to provide the benefits from the Plan are made by the Contributing Employer. The amounts that are contributed are determined by written agreement with the Contributing Employer. Assets of the Plan are held in a trust fund and invested for the benefit of all the Participants. Under no circumstances will any assets in the trust fund be recoverable to a Contributing Employer until all Plan expenses and all Plan benefits have been paid or otherwise provided for.

## Plan Termination Insurance

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

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

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, generally the PBGC guarantee equals to participant's years of service multiplied by:

- 100% of the first $11 of your monthly benefit accrual and
- 75% of the next $33.

The PBGC's maximum guarantee limit is $35.75 per month times a participant's years of service. For example, the maximum annual guarantee for a retiree with 30 years of service is $12,870.

If the Plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits using the PBGC's pension formula. Pension benefits for most participants will be reduced if this happens.

The PBGC guarantee generally covers:

(1) Normal and early retirement benefits;
(2) Disability benefits if you become disabled before the Plan becomes insolvent; and
(3) Certain benefits for your survivors, including Qualified Pre-Retirement Spouse Annuity benefit for future deaths.

The PBGC guarantee generally does not cover:

(1) Benefits greater than the maximum guaranteed amount set by law for the year in which the Plan terminates;
(2) Some or all of benefit increases and new benefits based on Plan provisions that have been in place for fewer than 5 years at the time the Plan terminates or becomes insolvent;
(3) Benefits that are not vested because you have not worked long enough for a Contributing Employer;
(4) Benefits for which you have not met all of the requirements at the time the Plan terminates;
(5) Certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the Plan's normal retirement age; and
(6) Non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money your Plan has and on how much the PBGC collects from employers.

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

## Plan Amendments and Discontinuance

The Pension Fund may be terminated by a document in writing adopted by a majority of the Union Trustees and a majority of the Employer Trustees. The Fund may be terminated if, in the opinion of the Trustees, the Trust Fund is not adequate to carry out the intent and purpose of the Fund as stated in its Trust Agreement, or its assets are not adequate to meet the payments due or which may become due under the Plan. The Fund may also be terminated if there are no individuals living who can qualify as employees or beneficiaries under the Plan. Finally, the Fund may be terminated if there are no longer any Collective Bargaining Agreements requiring contributions to the Fund. The Fund is considered terminated under the law if it is amended to provide that no further benefits will be earned by employees for employment with Participating Employers or is amended to become a defined contribution plan. The Trustees have complete discretion to determine when and if the Fund should be terminated.

If the Plan terminates, you will not accrue any further benefits under the Plan. However, the benefits that you have already accrued will become vested, that is, nonforfeitable, to the extent your benefits can be funded by the Plan assets allocated to such benefits.

If the termination occurs because the Plan is amended to provide that no further benefits will be earned by employees for employment with Participating Employers or is amended to become a defined contribution plan, the Plan will continue to pay nonforfeitable benefits. If the Plan does not have sufficient assets to pay all nonforfeitable benefits, Participating Employers will be required to contribute to the Plan until all nonforfeitable benefits are fully funded and can be paid.

If the Plan terminates because there are no longer any Collective Bargaining Agreements requiring contributions to the Fund, the Plan may be amended, to the extent permitted by law, to reduce benefits to the extent necessary to ensure that the Plan's assets are sufficient to pay nonforfeitable benefits when they are due. If the Plan has been amended and it does not have enough assets to pay nonforfeitable benefits, the Plan has the authority to suspend benefits to the extent permitted under the law. If benefits are suspended, the Plan will continue to pay the highest level of benefits which can be paid out of the Plan's available resources. If benefits are suspended, the Plan will not be required to make retroactive benefit payments for that portion of a benefit which was suspended.

Once the Plan assets and nonforfeitable benefits are valued, the Trustees, as a general rule, will use the available assets to purchase annuity contracts to provide for your benefits. However, if the Plan terminates because of an amendment, and the value of your nonforfeitable benefit attributable to Participating Employer contributions is less than $5,000.00, the Plan may pay you in cash if you consent to such payment.

If the Fund is terminated, the trustees will:

- Pay the expenses of the Fund incurred up to the date of termination as well as the expenses in connection with the termination;
- Arrange for a final audit of the Fund;
- Give any notice and prepare and file any reports which may be required by law; and
- Apply the assets of the Fund in accordance with the law and the Plan including amendments adopted as part of the termination until the assets of the Fund are distributed.

No part of the assets or income of the Fund will be used for purposes other than for the exclusive benefit of the employees and the beneficiaries or the administrative expenses of the Fund. Under no circumstances will any portion of the Fund revert or inure to the benefit of any Participating Employer or the Union either directly or indirectly.

Upon termination of the Fund, the Trustees will promptly notify the Union, Participating Employers, and all other interested parties. The Trustees will continue as Trustees for the purpose of winding up the affairs of the Fund.

In addition, the Trustees have complete discretion to amend or modify the Plan and any of its provisions, in whole or in part, at any time unless an amendment is prohibited under the law. This means that the Trustees can reduce, eliminate or modify benefits as well as improve benefits. The Trustees may also modify length of coverage for all employees, dependents and retirees, and eligibility requirements for coverage.

# Required Legal Information

Under the Employee Retirement Income Security Act of 1974 (ERISA), each employee is to be provided with certain details about benefit plans. This information is listed below. If you need additional information, please contact the Fund Office or your local U.S. Department of Labor.

## Plan Name

Ironworkers Local Union No. 16 Pension Plan

## Plan Sponsor's Name and Address

Board of Trustees of the Ironworkers Local No. 16 Pension Plan
c/o GEMGroup
8600 La Salle Road, Suite 624
Towson, MD 21286

## Plan Sponsor's Employer Identification Number (EIN)

52-6148924

## ERISA Plan Number

001

## Plan Year

January 1 to December 31

## Type of Plan

The Plan is a defined benefit pension plan.

## Plan Trustees

A joint Board of Trustees, consisting of three Union representatives and three employer representatives, is the Plan Administrator. They are charged with the responsibility of carrying out the provisions of the Plan.

In the discharge of its duties, the Board of Trustees is aided and advised by Legal Counsel, Actuary, Accountant and Investment Advisory Services, as well as Administrative personnel who are responsible for all Plan and Fund records and communications.

### Names, Titles and Addresses of Plan Trustees

| Union Trustees | Management Trustees |
|---|---|
| William Beckman | Jim Ayersman |
| Ray Cleland | Joseph Hollar |
| Joseph Schmidt | Ron Mantegna |

## Plan Administrator and Agent For Service Of Legal Process

The Board of Trustees has been designated as the agent for the service of legal process. Service of legal process may be made upon each Plan Trustee or the Fund Office at the address shown on the cover of this booklet.

The Board of Trustees controls and manages the Plan in its discretion. The Board of Trustees powers include the power, in its discretion, to:

- Interpret the Plan,
- Construe or apply any of the Plan's provisions and
- Make all final determinations as to the rights of any person to benefits under the Plan.

The Board of Trustees interpretations, constructions and applications of the Plan, and its determinations as to the rights of any person to benefits under the Plan, are conclusive and binding except as may otherwise be provided by applicable law.

In the exercise of its powers, the Board of Trustees may appoint one or more entities to administer benefit claims and payments made under the Plan. The Trustees have contracted the day-to-day business operation of the Plan to:

**GEMGroup**
**3 Gateway Center**
**401 Liberty Ave., Ste. 1200**
**Pittsburgh, PA 15222**
**1-800-242-8923**

## Funding

All contributions to the Plan are made by employers in accordance with their collective bargaining agreements with the Union. The collective bargaining agreements require contributions to the Plan at fixed rates. A participant may request, in writing, to examine any of these agreements at the Fund Office or to obtain a copy of any of these agreements.

Benefits are provided from the Fund's assets, which are accumulated under the provisions of the collective bargaining agreement and the trust agreement and held in a trust fund for the purpose of providing benefits to covered Participants and defraying reasonable administrative expenses. Assets of the Fund are managed under authority of the Board of Trustees.

## Sponsoring and Participating Employers and Unions

The Plan was originally sponsored by Local No. 16 of the International Association of Bridge, Structural & Ornamental Ironworkers and by the Ironworkers Glaziers Employers Association. Due to a merger of local unions by the International Union in January 2017, the Plan is now sponsored by Local Union No. 5 of the same International Union. A complete list of employers and employee organizations sponsoring the Plan may be obtained upon written request to the Fund Office and is available for inspection by participants and beneficiaries. The address of the sponsoring Union is: 9100 Old Marlboro Pike, Upper Marlboro, MD 20772. In addition, it currently maintains and office at 2008 Merritt Ave., Baltimore, MD 21222.

A complete list of employers contributing to the Plan may be obtained upon written request to the Fund Office.

# Statement of ERISA Rights

As a participant in the Ironworkers Local Union No. 16 Pension Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

## Receive Information about Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office (Fund Office in Towson, MD) and at other specified locations, such as employer offices or union hall, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

- Obtain, upon written request to the Plan Administrator (at the Fund Office), copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description. The Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

## Prudent Actions by Plan Fiduciaries

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

## Enforce Your Rights

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

Under ERISA, there are steps you can take to enforce your rights. For instance, if you request materials and do not receive them for 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits, which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

## Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA *or if you need assistance in obtaining documents from the Plan Administrator*, you should contact the nearest office of the 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 N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

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# IRON WORKERS LOCAL NO. 16 PENSION FUND

Fund Office: GEMGroup, Administrator, Oxford Building, Suite 624, 8600 LaSalle Road, Towson, MD 21286
Phone: (410) 828-5282 / Fax: (410) 828-5464

## Summary of Material Modification

Participant Name
Address line 1
Address line 2
Address Line 3
City, State and Zip

The Ironworkers Local Union No. 16 Pension Plan ("Pension Plan") has been amended by the Board of Trustees to reflect the changes made pursuant to the United States Department of the Treasury Secretary's approval of an application submitted by the Fund and a subsequent affirmative vote by Pensioners, Beneficiaries and Participants to reduce benefits (known as a "suspension of benefits") as permitted under the Multiemployer Pension Reform Act of 2014 ("MPRA"), to address the Fund's critical and declining status. All changes are effective October 1, 2018. All Participants, Beneficiaries and Pensioners have already received notice of these changes in the form of a notice of proposed reduction of pension benefits and a subsequent ballot pertaining to the proposed suspension of benefits. This is a summary of the amendment formally adopting these changes to the Pension Plan document.

1. **Reduction in Pension Benefits for Pensioners and Beneficiaries.** The following individuals will receive a reduction in their pension benefits as set forth below (subject to the statutory limitations as described in Section 5):

   a. **Pensioners Who Retired Prior to October 1, 2018.** Pensioners (including their Beneficiaries receiving benefits) who retire prior to October 1, 2018 and are under age 80 as of October 31, 2018, shall have their monthly pension benefit reduced by a percentage that equals the number of months between 80 and the Pensioner's age, times the following:

   | | | |
   |---|---|---|
   | Pensioners | - | 0.125% per month |
   | Beneficiaries | - | 0.0625 % per month |

   b. **Pensioners Who Received a Lump Sum Distribution.** Pensioners who retired between August 1, 2003 and March 23, 2012 and who elected to receive, in addition to a monthly benefit, a lump sum distribution at the time they retired, shall have their monthly pension reduced by a percentage formula as set forth in paragraph 1.a above, and by an additional amount that equals the same above percentage formula applied to the actuarial monthly value of the lump sum payment.

   c. **Pensioners and Beneficiaries Who Received a Thirteenth Check.** The thirteenth check received by eligible Pensioners and Beneficiaries, and last paid by the Plan during the 2018 Plan Year, has been eliminated commencing with the payment that was scheduled to occur at the beginning of the 2019 Plan Year.

2. **Reduction in Pension Benefits for Terminated Participants.** Participants who have not retired as of October 1, 2018, who have left Covered Employment, experienced a one-year break in service prior to October 1, 2018, and who are under the age of 80 as of October 31, 2018, shall have their monthly pension benefit that they will receive at retirement reduced by a percentage that equals the number of months between 80 and the Pensioner's/Terminated Participant's age, times the following:

Terminated Participants - 0.125% per month

3. **Participants who Retire, Die, or Experience a Break in Service Between October 1, 2018 and October 31, 2020.** Participants who retire on or after October 1, 2018 and on or before October 31, 2020 and Participants who leave Covered Employment and die or experience a one-year break in service between October 1, 2018 and October 31, 2020, will have their accrued benefit as of October 1, 2018 reduced by a Reduction Percentage that equals the number of months between 80 and their age times the following percentages (subject to the statutory limitations as described in Section 5):

| Month of Pension Commencement, Death, or One-Year Break in Service | Reduction Rate | Month of Pension Commencement, Death, or One-Year Break in Service | Reduction Rate |
|---|---|---|---|
| October 2018 | 0.125% | November 2019 | 0.060% |
| November 2018 | 0.120% | December 2019 | 0.055% |
| December 2018 | 0.115% | January 2020 | 0.050% |
| January 2019 | 0.110% | February 2020 | 0.045% |
| February 2019 | 0.105% | March 2020 | 0.040% |
| March 2019 | 0.100% | April 2020 | 0.035% |
| April 2019 | 0.095% | May 2020 | 0.030% |
| May 2019 | 0.090% | June 2020 | 0.025% |
| June 2019 | 0.085% | July 2020 | 0.020% |
| July 2019 | 0.080% | August 2020 | 0.015% |
| August 2019 | 0.075% | September 2020 | 0.010% |
| September 2019 | 0.070% | October 2020 | 0.005% |
| October 2019 | 0.065% | November 2020 and later | 0.000% |

4. **No Reductions for Certain Active Participants.** Benefit accruals for service earned on or after October 1, 2018 will not be reduced, nor will the benefit of those Participants who were active as of October 1, 2018 who do not experience a break in service prior to November 1, 2020 and who do not retire or die prior to November 1, 2020.

5. **Statutory Limits on Reductions For Certain Pensioners (and their Beneficiaries).** No pension benefit will be reduced for Pensioners (including their Beneficiaries receiving benefits) who are age 80 and over or who are receiving a Disability Pension benefit and no pension benefit shall be reduced below 110% of the amount guaranteed by the Pension Benefit Guarantee Corporation.

Benefit suspensions will be adjusted for Participants who are at least age 75 but not yet age 80 as of October 31, 2018. For such Participants, the benefit suspension shall be the benefit suspension as previously described in this notice, multiplied by the ratio of (a) to (b), where (a) is the number of months between the Participant's age as of October 31, 2018 and age 80, and (b) is 60 months.

6. **Reduction is Applied to all Forms of Benefits.** The pension benefit percentage reduction shall be applied to a Normal Pension, an Early Retirement Pension, a Deferred Pension, a Service Pension, a Reduced Service Pension, and to a Pre-Retirement Surviving Spouse Pension.

7. **Maximum Reduction.** No reduction to the regular monthly benefit will exceed 50% of the regular monthly benefit that would have been paid had there been no suspension of benefits. This maximum reduction does not apply to the thirteenth check.

8. **Pensioners and Terminated Participants Returning to Work.** The Suspension Rate will not change for any Pensioner or Terminated Participant who returns to Covered Employment.

9. **Benefit Reductions are Indefinite.** The reduction of pension benefits as set forth in the Amendment adopted by the Board of Trustees and as described in this Summary of Material Modification shall be considered "suspended benefits" that may be reinstated, in whole or in part, if it is determined by the Board of Trustees that benefit improvements can be made to the Pension Plan and that resumption of these benefits, in whole or in part, is appropriate under MPRA and the regulations issued thereunder.

The Board of Trustees Ironworkers Local
Union No. 16 Pension Plan