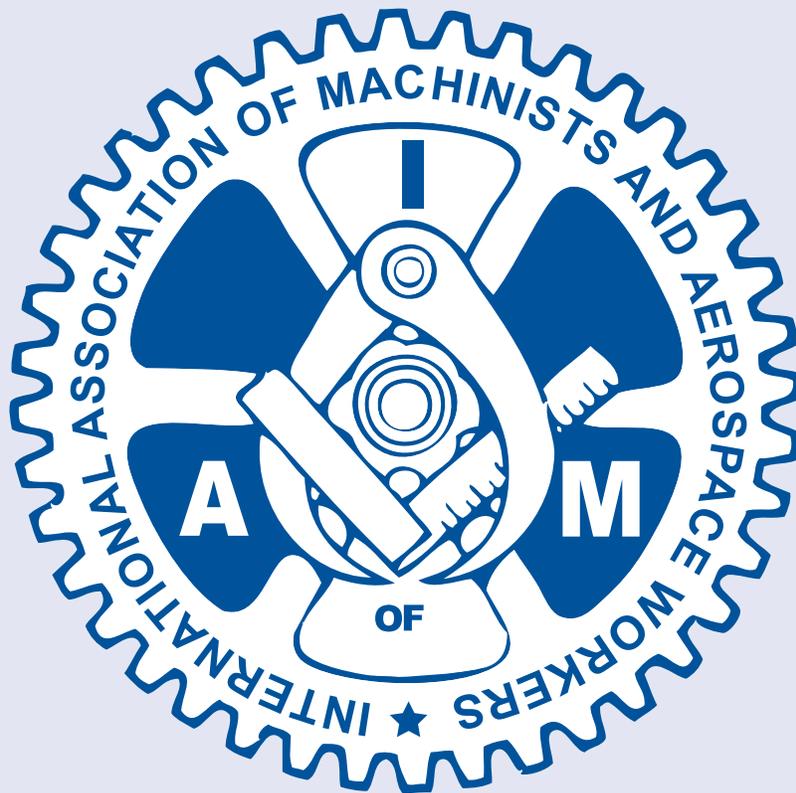


Automotive Machinists Pension Plan



Automotive Machinists Pension Trust

2815 2nd Avenue, Suite 300 • P.O. Box 34203 • Seattle, Washington 98124
Phone (206) 441-7574 or (800) 732-1121 • Fax (206) 505-9727

Administered by
Welfare & Pension Administration Service, Inc.

April 23, 2009

To: Participants, Beneficiaries, Contributing Employers and Bargaining Parties

From: Joint Board of Trustees of the Automotive Machinists Pension Trust

Re: Notice of Reduction in Benefits Effective July 1, 2009

We are writing to let you know about important changes to the Automotive Machinists Pension Trust (the "Plan") approved by the Board of Trustees at the April 7, 2009 and April 15, 2009 meetings. We have previously advised you that the Plan was greatly impacted by the significant downturn in the equity market that began last fall. The most recent actions taken include across-the-board reductions in future benefits as well as additional early retirement benefit reductions that were part of the "Rehabilitation Plan" submitted to the bargaining parties as required by federal law due to the plan's critical funding status.

Current Retirees

Retirees in pay status prior to April 1, 2009 will not have their current benefits in pay status reduced. **If you return to work and earn additional future service**, those additional benefits may be affected by some of the future benefit changes.

Reductions in future benefits

The Trustees are confident that the Trust is well positioned to take advantage of the eventual recovery of the financial markets. However, the Trustees have determined that it is prudent to make future benefit changes. These include:

- **A reduction in rate at which future service benefit is earned beginning July 1, 2009.**
The rate at which you earn a credited future service benefit for covered employment on and after July 1, 2009 will be reduced from 2.0% to 1.0% of employer contributions. **The benefit you earned through June 30, 2009 is not affected by this change.**
- **Less generous early retirement reduction factors apply to your future service benefit for covered hours on and after July 1, 2009**
- **Reduction in disability benefits for applications received after April 30, 2009**
- **Elimination of the lump sum return-of-contributions pre-retirement death benefit for deaths on or after July 1, 2009**

The changes are described in greater detail on the pages that follow.

Additional early retirement benefit reductions

On March 23, you were provided with a Notice indicating that the Plan's funded status was critical and as a result of that status, action might be taken to reduce "adjustable benefits."

At the April 15 Board meeting, the Board took action to reduce adjustable benefits in the form of early retirement factor reductions pertaining to benefits accrued before July 1, 2009. **If you are a grandfathered participant, these changes will not affect you; if you are not a grandfathered participant, these changes can be significant and may affect your retirement decision. Please carefully read the section entitled "Adjustable Benefit Reductions" to see how you may be affected if you are a non-grandfathered participant.**

You are a "grandfathered participant" if you either:

- **Earned at least 501 creditable hours in 2008 (including any reciprocal, contiguous non-covered and military service), submit an application for benefits on or before April 30, 2009, and begin payments by July 1, 2009, or**
- **Submitted an application for benefits on or before March 24, 2009.**

Future benefit changes

Changes to the Rate You Earn Credited Future Service Benefits

Your accrued benefit under the Plan is your credited past service benefit (if any), plus your credited future service benefit. Your credited future service benefit is based on the credited future service you earn each year while working for a contributing employer according to a schedule that varies depending upon whether you incur a break-in-service, as described on page 7 of the Summary Plan Description (SPD) and Section 502 of the Plan Document (pages 31-33 of the SPD). The benefit amount is a percentage of the employer contributions made to the Plan on your behalf.

If you did not have a break-in-service as of January 1, 2000, your credited future service benefit is determined as follows:

Table A

For all covered hours	Your future service benefit is determined by multiplying your employer's contributions by the following percentage...
1/1/2005 through 6/30/2009	2.0%
1/1/2004 and 12/31/2004	3.0%
Prior to 1/1/2004	5.35%

If you had a break-in-service of one year or more as of January 1, 2000, you should consult the SPD and plan document for your accrual rate for covered hours prior to the break.

Beginning July 1, 2009, your monthly future service benefit rate will be 1.0% of the employer contributions made on your behalf. In other words, on and after July 1, 2009 you'll earn \$1 per month in benefits for every \$100 in employer contributions made on your behalf. Under the formula in effect prior to this change, you earned \$2 per month in benefits for every \$100 in employer contributions. This is a 50% reduction in the rate at which you earn your future service benefit for credited future service on and after July 1, 2009.

Less Generous Early Retirement Factors Beginning July 1, 2009

Presently, the Plan provides two sets of early retirement reduction factors, depending on the age at which you choose to retire and whether you satisfy the Rule of 85 at that time.

Beginning with covered hours on July 1, 2009, your benefit – and any benefit your beneficiary receives – will be subject to early retirement reduction factors that are less generous than those currently in effect. These factors are reflected in Column 3 of Table B below.

As a result, if you earn benefits after June 30, 2009, early retirement benefits that you receive during your lifetime, and any survivor continuance paid to your spouse will be less than it would have been. As before, only participants who satisfy the Rule of 85 may start receiving benefits prior to age 55.

Table B

Early Retirement Factors			
If your age at retirement is	Column 1	Column 2	Column 3
	The Standard Early Retirement factor applied to your benefit prior to <u>7/1/2009</u> is:	If you satisfy the Rule of 85, the Early Retirement factor applied to your benefit prior to <u>7/1/2009</u> is:	Early Retirement factor on and after <u>7/1/2009</u> is:
65	100%	100%	100%
64	97%	100%	92%
63	94%	100%	84%
62	91%	100%	76%
61	88%	97%	68%
60	85%	93.6%	60%
59	79%	89.6%	55%
58	73%	85.6%	50%
57	67%	81.6%	45%
56	61%	76.6%	40%
55	55%	71.6%	35%
54	N/A	66.6%	30%
53	N/A	61.6%	25%
52	N/A	56.6%	20%
51	N/A	51.6%	15%
50	N/A	46.6%	10%

These percentages are based on whole ages. The actual percentage applied to your benefit will be based on your age in years and months at retirement.

Please note, the factors in column 1 and column 2 may be replaced by the factors in column 3 with respect to the benefits you have accrued as of June 30, 2009 unless you are a grandfathered participant. Please see the final section of this notice entitled “Adjustable Benefit Reductions” for more details. In any event, the benefits you receive for retirement at your normal or late retirement date are not affected by this change.

Disability benefits for applications received after April 30, 2009

Currently, the Plan provides that you will receive a subsidized benefit if become disabled prior to normal retirement age. The benefit is equal to 120% of the early retirement benefit to which you are entitled as of the date of your disability, subject to minimum and maximum benefit amounts set forth in the Plan (page 10 of your SPD).

The Plan will continue to pay benefits upon disability. However, if your application is received by the Administration Office after April 30, 2009 the disability benefit will be equal to your early retirement benefit as of your disability date determined in accordance with the reduction factors in Column 3 of Table B above, and further reduced using actuarial equivalent factors for disability ages prior to age 50.

If you apply for benefits prior to April 30, 2009 and are determined to be disabled and begin payment of your disability retirement benefit, you will receive the current disability benefits. Otherwise, you will receive the reduced disability benefits.

Pre-retirement death benefit changes

Until March 23, 2009, the plan paid a lump death benefit equal to the employer contributions made on your behalf to your beneficiary if you died prior to retirement. However, this benefit would only have been payable to your spouse if elected in lieu of the 50% pre-retirement survivor annuity (QPSA). Effective March 23, 2009, the plan is not permitted to pay this lump sum benefit while the plan's status remains critical. Effective July 1, 2009, this lump sum death benefit is eliminated. **The plan will continue to pay a pre-retirement survivor annuity (QPSA) to your spouse if you die before retiring.**

Adjustable Benefit Reductions

The Trustees have proposed to further reduce early retirement benefits for all non-grandfathered participants. If you are a grandfathered participant, you are not affected by this change. For non-grandfathered participants, this adjustable benefit change applies the less generous early retirement reduction factors in column 3 of Table B to **your entire benefit** – not just any benefit earned on and after July 1, 2009.

Federal law requires that the Trustees propose alternatives to the bargaining parties in order to improve the plan's funded status. The Trustees have developed two alternatives: the "Default Plan" and the "Rehabilitation Plan." The Default Plan applies if the bargaining parties do not adopt the Rehabilitation Plan. It is up to the bargaining parties to determine whether to adopt the Rehabilitation Plan or allow the Default Plan to take effect. There are no additional benefit changes under the Default Plan. The above early retirement reductions apply under the Rehabilitation Plan.

The next few paragraphs explain how and when the early retirement reduction changes will apply depending upon your situation if you are a non-grandfathered participant.

If you were credited with less than 501 hours of service (including any reciprocal, contiguous non-covered and military service) during 2008 you are not eligible to be a grandfathered participant. The above early retirement benefit reductions apply to benefit payments owed for months on and after July 1, 2009.

The table below describes how and when the column 3 factors would be applied to other non-grandfathered participants.

You are a "grandfathered participant" if you either:

- **Earned at least 501 creditable hours in 2008 (including any reciprocal, contiguous non-covered and military service), submit an application for benefits on or before April 30, 2009, and begin payments by July 1, 2009, or**
- **Submitted an application for benefits on or before March 24, 2009.**

If you were credited with 501 or more hours during 2008 (including any reciprocal, contiguous non-covered and military service), and	Then the Rehabilitation Plan Reductions apply to
You apply for retirement after April 30, 2009, and you retire <i>before</i> your employer and the union have determined whether to adopt the Rehabilitation Plan (generally, they must by the contract expiration date after April 23, 2009)	Benefit payments owed for months on or after July 1, 2009
You apply for retirement between March 25, 2009 and April 30, 2009 and retire <i>after</i> July 1, 2009 and <i>before</i> your employer and the union have determined whether to adopt the Rehabilitation Plan (generally, they must by the contract expiration date after April 23, 2009)	Benefit payments owed for months starting with your retirement date
You applied for retirement after April 30, 2009 and you retire <i>on or after</i> the date your employer and the union have determined whether to adopt the Rehabilitation Plan (generally, they must by the contract expiration date after April 23, 2009)	Benefit payments owed for months starting at your retirement date but only if the Rehabilitation plan is adopted by the bargaining parties
You apply for retirement between March 25, 2009 and April 30, 2009 and you retire <i>after</i> July 1, 2009 and <i>on or after</i> your employer and the union have determined whether to adopt the Rehabilitation Plan (generally, they must by the contract expiration date after April 23, 2009)	Benefit payments owed for months starting at your retirement date but only if the Rehabilitation plan is adopted by the bargaining parties

In any of these cases, your benefit will be reduced more substantially than under the current terms of the Plan. As a result of these early retirement changes, both the benefit that you receive during your lifetime and any survivor continuance paid to your spouse would be less than it would have been had you been eligible for and elected grandfather status. Similarly, if you are an alternate payee and your qualified domestic relations order (“QDRO”) provides that you share in any early retirement subsidy enjoyed by your spouse-participant, but the participant is not a grandfathered participant, your benefit would be determined in accordance with the factors in Column 3 of Table B.

Clarification of Social Security Adjustment Option Status

On March 23, 2009 you were informed that the Social Security Adjustment Option would not continue to be form of benefit choice. This was incorrect. You will still have the same annuity form benefit choices as before, including the Social Security Adjustment Option.

For More Information

Please refer to your summary plan description booklet for information about other Plan provisions. You and your spouse may also wish to consult a personal financial adviser to determine the specific impact on your retirement benefits.

In the meantime, the Administration Office will be happy to assist you if you have any questions about this notice or the changes it describes. You may reach the Administration Office at (206) 441-7574 or (800) 732-1121, option 2..

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**FOR ASSISTANCE AND INFORMATION, CONTACT THE ADMINISTRATION OFFICE
AT THE ADDRESS SHOWN BELOW**

THE PLAN ADMINISTRATOR

BOARD OF TRUSTEES

AUTOMOTIVE MACHINISTS PENSION TRUST

2815 Second Avenue, Suite 300

P. O. Box 34203

Seattle, WA 98124-1203

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This booklet illustrates and explains your pension plan. However the full plan is covered by the Plan Document, which can be found at the end of this booklet.

IMPORTANT

ONLY THE ADMINISTRATION OFFICE IS AUTHORIZED TO ANSWER YOUR QUESTIONS. NO EMPLOYER, UNION, OR ANY OF THEIR EMPLOYEES ARE AUTHORIZED TO INTERPRET THE PLAN PROVISIONS OR TO OBLIGATE THE PLAN AND TRUST IN ANY WAY.

**BOARD OF TRUSTEES OF THE AUTOMOTIVE
MACHINISTS PENSION TRUST**

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Don Hursey, Secretary

EMPLOYER TRUSTEES

John Swanson

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William F. McCann, Jr.

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Welfare & Pension Administration Service, Inc.

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P. O. Box 34203

Seattle, WA 98124

Richard B. Kafer, Account Executive

Michael D. Parmelee, Account Executive

INTRODUCTION

We are pleased to provide you with this revised booklet describing the benefits of your Plan. The provisions of the Plan in effect at the date of an Employee's retirement, death, disability or Break in Service determine all rights of the Employee or his/her surviving spouse or other beneficiary under this Plan.

This booklet contains a summary of the main provisions of the Plan and includes information required by law. It is designed to help you understand the Plan. We have included a section entitled "Outline of Benefits Covered by the Plan," which gives you a capsule view of the major provisions.

In summarizing your Plan, it is not possible to explain each and every detail. Therefore, we have included the complete Plan at the back of the booklet.

We urge you and your spouse to read this booklet carefully and keep it for future reference. It contains information which will play an important part in your plans for retirement.

If you have particular questions about the Plan and how it affects your rights to a pension, you should contact the Administration Office. The staff will be happy to assist you.

Sincerely yours,

THE BOARD OF TRUSTEES AUTOMOTIVE MACHINISTS PENSION TRUST

February 7, 2008

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SECTION 1

How Do I File A Retirement Claim?

1. Submit an application to the Administration Office prior to the date benefits are to commence. Forms are available from the Administration Office and most Union Offices.
2. Enclose adequate proof of birth with the application.
3. Include your beneficiary's name, relationship and birthdate.
4. If you apply for Total and Permanent Disability, submit the Plan's special form completed by your doctor, giving a diagnosis, date disability commenced and certification that the disability is both Total and Permanent as defined in Section 404.
5. It is recommended that you do not terminate your employment until it has been determined that you meet the eligibility requirements for retirement benefits.
6. **It is also recommended that you apply at least two months in advance of retirement.**

What Can I Do If My Claim Is Denied?

If your claim is denied, in whole or in part, you will be notified in writing and given an opportunity for review. The written denial will include:

- The specific reason(s) for the denial;
- Specific references to the pertinent plan provisions on which the denial is based;
- A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and
- An explanation of the Plan's claims review procedures, including a statement describing your right to bring a civil action under ERISA §502(a).

In the case of a denied claim for a disability retirement, if an internal rule, guideline or other protocol was relied upon in making the adverse determination, the written denial will either describe the specific rule, guideline, protocol or other similar criterion relied upon or will include a statement indicating that such rule, guideline, protocol, or other similar criterion was relied upon and that a copy of the same will be provided free of charge upon request.

If you (or your beneficiary) feel you are entitled to a benefit which was denied, you may request review. This is called an appeal. To do this, you must file written application with the Administration Office within 60 days after delivery of the notice described above (application must be filed within 180 days in the case of a denial of a Disability Retirement Benefit). Failure to file a notice of appeal within the time period prescribed constitutes a waiver of your right to review the denial.

The Trustees shall review a properly filed appeal at the next regularly scheduled quarterly meeting of the Appeals Committee, unless the request for review is received by the Trustees within 30 days preceding the date of such meeting. In such case, the appeal will be reviewed no later than the date of the second quarterly meeting following the Trustee's receipt of the notice of appeal, unless there are special circumstances requiring an extension.

You (or your beneficiary) are entitled to submit, in writing, issues, comments, documents, records or other information relating to a claim. You (or your beneficiary) are not entitled to appear in person at a hearing, but can be represented by legal counsel at your (their) own expense in the presentation of the appeal. You shall be provided, upon request and free of charge, reasonable access to and copies of, all documents, records and other information relevant to the claim for benefits.

The Trustees will issue a written decision on review within five days after the determination is made.

It is the policy of the Trustees to provide each applicant with all information and assistance reasonably available so that no fact in support of a claim is overlooked and that each applicant shall receive full and fair consideration (Plan Sections 801 through 805).

Statement Of Benefits

You may request a statement of your pension benefits from the Administration Office at any time.

1. Active participants will automatically receive an annual statement of their pension benefits from the Administration Office.
2. The Administration Office is available to assist you at any time, and learning about the amount of pension benefits you have earned to date will be an important part of your pension planning.
3. You are respectfully asked to keep the Administration Office advised of your correct address.

SECTION 2

Outline Of Benefits Covered By The Plan

Your Plan offers a number of different benefits—and each benefit has eligibility rules that must be met.

Below is a very brief outline of the benefits and a reference to later parts of this booklet that more fully describe those rules and benefits for the particular benefit you are interested in. You must have terminated employment with a Participating or formerly Participating Employer (including termination due to death or disability) before you may receive a benefit from the Plan.

Normal Retirement Benefit

If you elect to retire at age 65 or later, and have 5 years of Credited Service, and are vested under the Plan, you are entitled to receive a Normal Retirement Benefit, as described beginning on page 7.

Early Retirement Benefit

- **Standard Early Retirement Benefit**

If you are age 55, but under age 65, you may elect your Early Retirement Benefit to begin following cessation of employment with a Participating or formerly Participating Employer, provided that, at the time you elect your Early Retirement Benefit (as described beginning on page 8) you have 5 years of Credited Service and are Vested under the Plan.

- **Enhanced Early Retirement Benefit**

You are entitled to an Enhanced Early Retirement Benefit (as described beginning on page 9) if, on your Pension Effective Date:

- Your combined years of Credited Future Service and your completed years of age total 85 or more; and
- Within the 60 months immediately preceding your Pension Effective Date, you have 2,500 Covered Hours of Employment for which contributions have been made to this Plan.

Disability Retirement Benefit

You are eligible for a Disability Retirement Benefit (as described beginning on page 10) if you are totally and permanently disabled by bodily injury or disease that renders you incapable of engaging in any regular occupation which would be substantially gainful and which you would otherwise be expected to be capable of performing in light of your training, experience and abilities AND at the time you are disabled, you are both (1) Vested and (2) active in the Plan or within 3 plan years after you have had a Break in Service.

Spouse's Preretirement Death Benefit

If you die before you retire, your spouse will be entitled to a Spouse's Preretirement Death Benefit (as described beginning on page 12), provided you have at least 5 years of Credited Service and are Vested under the Plan at the date of your death.

Lump Sum Death Benefit

If you die before you retire, your designated beneficiary will be entitled to a Lump Sum Death Benefit (as described beginning on page 12), provided you have at least 5 years of Credited Service at the date of your death.

To designate a beneficiary, you must complete a Beneficiary Designation Form and file it with the Trust Administration Office.

However, if you are married and your spouse qualifies for the Spouse's Preretirement Death Benefit, you may not designate a non-spouse beneficiary.

Upon your death, if your spouse is eligible for both the Lump Sum Death Benefit, as well as the Surviving Spouse's Preretirement Death Benefit, then your spouse must choose which benefit they wish.

Vesting

You become fully vested (as described beginning on page 16) in the benefits of this Plan if you have 5 or more years of Credited Service.

SECTION 3

How Do I Become Eligible For The Benefits Of The Plan?

The first step in determining your eligibility is to determine your Credited Past Service and your Credited Future Service.

What Is Credited Past Service?

Credited Past Service is employment before contributions to the Plan were made for you. It is measured back from your Effective Date of Coverage, generally the date you entered the Plan (Plan Section 302).

You receive one year of Credited Past Service for each year of Continuous Service in Covered Employment prior to May 1, 1979—subject to the applicable Maximums.

The terms Continuous Service, Covered Employment, and Maximum Amount of Credited Past Service are defined in paragraphs 1-3, below.

1. **Continuous Service.** To earn one year of Credited Past Service, you must have 9 months of Covered Employment. If you have less, that year will not be allowed for Credited Past Service. Furthermore, these years of Covered Employment must have been continuous. Unless you worked 600 or more hours of Covered Employment in any period of 36 consecutive months, you cannot receive credit for service prior to that period.
2. **Covered Employment.** The following kinds of work are “Covered Employment” and count toward your Credited Past Service, subject to the Continuous Service rules and applicable maximums:
 - a. If you and your employer joined this Plan at the same time, all of your continuous past work for that employer is covered. Of course, if you were an owner of the company, you are not covered for any Credited Past Service or any benefits based on your self-employment.
 - b. If you had continuous past employment with other employers participating in this Plan and that employment was in the Automotive Repair Industry, then that time also may be counted.
 - c. If you had Credited Past Service with an employer who is not now participating in the Pension Plan, but who at the time you were working for them had a labor agreement with a Union now participating in the Plan—and you were performing work in the Automotive Repair Industry—that time may also be counted—provided, of course, it was continuous with the service you earned under paragraphs (a) and (b). There is a limitation, however, on the amount of service you may claim under this paragraph. The Plan provides that for each year or fraction thereof that your Effective Date of Coverage (the date on which you enter the Plan) was after May 1, 1963, credit under paragraph (c) will be reduced by one year.

For example, if you have 10 years of Credited Past Service under paragraph (c) and your Effective Date of Coverage was October 1, 1965, then your service under that paragraph will be reduced by 3 years. This would leave you with a total of 7 years for that employer which may be counted. It should be noted that this reduction of your past employment applies only to paragraph (c)—and not to any past employment you might have had for Participating Employers under paragraphs (a) and (b).

If you had Credited Past Service and are working for an employer who withdraws as a Participating Employer, your Credited Past Service will not be counted when determining your benefits, provided that the former Participating Employer:

- a. Had an obligation to contribute to the Plan for the lesser of 6 consecutive Plan years or the time required for a participant to become fully vested (5 years),
- b. Made contributions in the 5 years prior to withdrawal that did not exceed 2% of all employer contributions to the Plan for those years,
- c. Has not previously avoided withdrawal liability under the “free look” rule, and
- d. First had an obligation to contribute to the Plan after September 26, 1980.

3. **Maximum Amount of Credited Past Service.** After you measure your Credited Past Service, it is adjusted by your age and the date when you entered the Plan:

If you entered the Plan before May 1, 1969, you are allowed Credited Past Service according to the following table:

Attained Age on Employee's Effective Date of Coverage	Maximum Allowable Years of Credited Past Service
Under age 56	10 years
Age 56 but under 57	11 years
Age 57 but under 58	12 years
Age 58 but under 59	13 years
Age 59 but under 60	14 years
Age 60 but under 61	15 years
Age 61 but under 62	16 years
Age 62 but under 63	17 years
Age 63 but under 64	18 years
Age 64 but under 65	19 years
65 years and over	20 years

If you entered on or after May 1, 1969, the maximum allowable years of Credited Past Service is determined from the following table:

Employee's Effective Date of Coverage	Maximum Allowable Years of Credited Past Service
May 1, 1969 - April 30, 1970	10 years
May 1, 1970 - April 30, 1971	9 years
May 1, 1971 - April 30, 1972	8 years
May 1, 1972 - April 30, 1973	7 years
May 1, 1973 - April 30, 1974	6 years
May 1, 1974 - April 30, 1975	5 years
May 1, 1975 - April 30, 1976	4 years
May 1, 1976 - April 30, 1977	3 years
May 1, 1977 - April 30, 1978	2 years
May 1, 1978 - April 30, 1979	1 years
May 1, 1979 or thereafter	0

What is Credited Future Service?

Credited Future Service is work for which contributions are due to this Plan (Plan Section 303). This credit is used to determine your eligibility for benefits, but it does not determine how much your benefits will be.

The number of hours you work during each plan-year is credited in accordance with the following tables. Each plan-year begins on January 1 and ends on December 31. Prior to January 1, 1998, each plan-year began on May 1 and ended on the following April 30.

Contributions, benefits and service credit for qualified military service will be provided in accordance with Internal Revenue Code Section 414(u)(5).

Covered Hours of Employment In Plan Years After May 1, 1976*	Credited Future Service
1,000 Hours and Over	1 Year
830 But Less Than 1,000	$\frac{3}{4}$ Year
660 But Less Than 830	$\frac{1}{2}$ Year
501 But Less Than 660	$\frac{1}{4}$ Year
Less Than 501 Hours	None

*For the short plan year May, 1997 through December 31, 1997. See Plan Section 303, beginning on page 29 for the applicable schedule.

Covered Hours of Employment In Plan Years Before May 1, 1976	Credited Future Service
1,000 Hours and Over	1 Year
720 But Less Than 1,000	$\frac{1}{2}$ Year
360 But Less Than 720	$\frac{1}{4}$ Year
Less Than 360 Hours	None

EXAMPLE

Assume you entered the Plan on May 1, 1973 and worked the following hours for which contributions were made:

	Hours	Credit
1973-74	2,000	1 Year
1974-75	1,000	1 Year
1975-76	800	$\frac{1}{2}$ Year
1976-77	1,200	1 Year
1977-78	300	None (Less than 501 Hours)
1978-79	2,000	1 Year
1979-80	900	$\frac{3}{4}$ Year
1980-2006	27 Yrs. at 1,700 Hours Per Year	27 Years
	Total Credited Future Service	32 $\frac{1}{4}$ Years

Your Credited Future Service, like Credited Past Service, must be continuous. In general, on or after May 1, 1976, you will have a Break in Service if you are employed 500 hours or less in work for which contributions are required in any plan year. However, you may reinstate service before a Break in Service under special conditions outlined in Section 703.

The Plan has no maximum Credited Future Service. Therefore, the longer the time you work in the industry, the greater will be your Credited Future Service (and as you will see from the next section, the greater will be your retirement income).

Credited Service

After you determine your Credited Past Service and your Credited Future Service, you can then determine your eligibility and benefits. For most purposes they are added together to produce your total Credited Service.

SECTION 4

When Am I Eligible And What Amount Of Benefits Do I Receive?

Normal Retirement Benefit

Eligibility

You must be age 65 or over. In addition, you must meet one of the following sets of eligibility rules:

1. You are entitled to benefits earned to the date of your retirement if you have a minimum of 5 years of Credited Service, and are Vested under the Plan.
2. You must have attained the 5th anniversary of your Effective Date of Coverage.

Benefit

Your pension is equal to the sum of the value of your Credited Past Service and the value of your Credited Future Service.

Value of Credited Past Service

The value of each year of Credited Past Service at Normal Retirement is \$6 per month, provided you have had contributions to your credit at the rate of \$.20 or more per hour. Otherwise, the value of each year of Credited Past Service at Normal Retirement will be \$4.50 per month (Plan Section 501).

Value of Credited Future Service

For employees retiring on or after January 1, 2000 that have not had a Break in Service of one year or more as of January 1, 2000, To determine the monthly value of your Credited Future Service, add all contributions made to your account (assuming that your Future Service has been continuous) and multiply those contributions by the corresponding rate as shown below:

1. For contributions made during Plan years prior to 2004, multiply these contributions by 5.35%.
2. For contributions made during calendar year 2004, multiply these contributions by 3.00%.
3. For contributions made during calendar years 2005 and after, multiply these contributions by 2.00%.

For employees retiring on or after January 1, 2000 who have incurred a Break in Service of one year or more as of January 1, 2000, your benefit for service prior to the Break in Service will be based on the accrual rate in effect on the date the Break in Service becomes effective (Plan Section 502 H).

Employees retiring prior to January 1, 2000, should consult the Plan for the rates in effect on their retirement date.

EXAMPLE

Year End	Contribution Rate (per hour)		Number of Hours (per year)	Contributions (per year)	Accrual Rate	Benefit Accrued
April 1983	.80	x	2,000	\$1,600	5.35%	\$85.60
April 1984	.90	x	2,000	1,800	5.35%	96.30
April 1985	1.00	x	2,000	2,000	5.35%	107.00
April 1986	1.05	x	2,000	2,100	5.35%	112.35
April 1987	1.10	x	2,000	2,200	5.35%	117.70
April 1988	1.20	x	2,000	2,400	5.35%	128.40
April 1989	1.30	x	2,000	2,600	5.35%	139.10
April 1990	1.40	x	2,000	2,800	5.35%	149.80
April 1991	1.50	x	2,000	3,000	5.35%	160.50

Year End	Contribution Rate (per hour)		Number of Hours (per year)	Contributions (per year)	Accrual Rate	Benefit Accrued
April 1992	1.60	x	2,000	3,200	5.35%	171.20
April 1993	1.70	x	2,000	3,400	5.35%	181.90
April 1994	1.80	x	2,000	3,600	5.35%	192.60
April 1995	1.90	x	2,000	3,800	5.35%	203.30
April 1996	2.00	x	2,000'	4,000	5.35%	214.00
April 1997	2.10	x	2,000	4,200	5.35%	224.70
Dec 1997	2.10	x	1,333	2,799	5.35%	149.75
Dec 1998	2.20	x	2,000	4,400	5.35%	235.40
Dec 1999	2.30	x	2,000	4,600	5.35%	246.10
Dec 2000	2.40	x	2,000	4,800	5.35%	256.80
Dec 2001	2.50	x	2,000	5,000	5.35%	267.50
Dec 2002	2.60	x	2,000	5,200	5.35%	278.20
Dec 2003	2.70	x	2,000	5,400	5.35%	288.90
Dec 2004	2.80	x	2,000	5,600	3.00%	168.00
Dec 2005	2.90	x	2,000	5,800	2.00%	116.00
Dec 2006	3.00	x	2,000	6,000	2.00%	120.00
Total 25 yrs.				\$92,299		\$4,411.10

Monthly Pension at age 65 =

Contributions prior to 2004	x	5.35%	\$74,899	x	5.35%	=	\$ 4,007.10
+ Contributions In 2004	x	3.00%	\$ 5,600	x	3.00%	=	\$ 168.00
+ Contributions After 2004	x	2.00%	\$11,800	x	2.00%	=	\$ 236.00
Total							\$ 4,411.10

Note: \$4,411.10 per month x 12 months = \$52,933.20 per year

In less than 2 years, all contributions are “paid back” by pension benefits. However, your benefits will continue to be paid for your lifetime.

The ordinary or “normal” benefit under this Plan is a lifetime annuity beginning with retirement at age 65. However, if you are married, it is important to bear in mind that ERISA requires that your benefit be paid in the form of a 50% Survivor Option, unless you elect in writing to receive your benefits in some other form. This form of benefit is described under the heading “50% Survivor Option” in Section 6 beginning on page 14.

Retroactive Retirement Date

You may elect a retroactive Retirement Date and receive a make-up payment reflecting the monthly payments missed (with interest) between the retroactive Retirement Date and the date of the actual commencement of benefits. Future monthly benefits will be in the amount that you would have received had you actually begun receiving payments on your retroactive Retirement Date.

Early Retirement Benefit

Standard Early Retirement Benefit

Eligibility

To be eligible for the Standard Early Retirement benefit, you must be at least age 55 and Vested.

Benefit

Calculate your Normal Retirement Benefit as shown previously. Then, reduce that benefit as follows—depending on the date you elect Early Retirement.

If you elect Early Retirement between ages 60 and 65, reduce your Normal Retirement Benefit by 1/4 of 1% per month for each month you elect retirement prior to age 65.

If you elect retirement between ages 55 and 60, then your Early Retirement benefit is calculated by first reducing your Normal Retirement benefit by 15% (for ages 65 to 60), plus an additional 1/2 of 1% for each month you elect retirement prior to age 60.

Enhanced Early Retirement Benefit

Eligibility

To be eligible for the Enhanced Early Retirement Benefit, your combined age (in whole years) and Credited Future Service (in whole years) on your date of retirement must equal or exceed 85.

In addition, you must have earned contributions to the Automotive Machinists Pension Trust for 2,500 Covered Hours of Employment within the 60 months immediately preceding your date of retirement.

It is important to note that your Credited Future Service and Covered Hours of Employment cannot include hours earned under a Reciprocity Agreement or hours earned in contiguous non-covered employment in order to count for these eligibility requirements for the Enhanced Early Retirement Benefit.

Benefits for Enhanced Early Retirement

If you meet the eligibility requirements for the Enhanced Early Retirement Benefit, then your Early Retirement Benefits are larger than the Standard Early Retirement Benefit.

Set forth below are the percentage reductions to your Normal Retirement Benefit for both the Standard Early Retirement Benefit and, if eligible, for the Enhanced Early Retirement Benefit.

Early Retirement Reduction Factors

Percent of Normal Retirement Benefit		
	Standard Early Retirement	Enhanced Early Retirement
Age 65	100%	100%
Age 64	97%	100%
Age 63	94%	100%
Age 62	91%	100%
Age 61	88%	97%
Age 60	85%	93.6%
Age 59	79%	89.6%
Age 58	73%	85.6%
Age 57	67%	81.6%
Age 56	61%	76.6%
Age 55	55%	71.6%
Age 54	N/A	66.6%
Age 53	N/A	61.6%
Age 52	N/A	56.6%
Age 51	N/A	51.6%
Age 50	N/A	46.6%

For example, if you have earned a \$2,000 a month pension at age 65 and you are eligible for the Enhanced Early Retirement Benefit (the Rule of 85 plus the 2,500 hours in the 60 months immediately prior to your Pension Effective Date), and you want to elect retirement at age 58, your Enhanced Early Retirement Income will be 85.6% of your Normal Retirement benefit at age 65, or \$1,712—a significant increase over the benefits available under the Standard Early Retirement Benefit (which would have been \$1,460).

Late Retirement Benefit

Eligibility

The eligibility requirements for the Late Retirement Benefit are the same as the eligibility requirements for a Normal Retirement Benefit, except you elect to defer your retirement until after age 65.

If you are neither a 5% owner of your employer, as defined in Section 416(1) of the Internal Revenue Code, or a terminated vested participant, your monthly benefits must begin on the later of April 1 following the calendar year in which you retire, or April 1 following the calendar year in which you attain age 70½.

If you are a 5% owner or a terminated Vested participant, your monthly benefits must begin no later than April 1 following the calendar year in which you attain age 70½, even if you continue your employment beyond such date.

Benefit

The amount of your Late Retirement Income will be the same as your Normal Retirement Income, except you will receive additional credit for service after age 65.

Disability Retirement Benefit

Eligibility

To be eligible for a Disability Retirement Benefit, you must be totally and permanently disabled by bodily injury, disease or mental disorder that is permanent and continuous during the remainder of your lifetime, and which renders you incapable of engaging in any regular employment substantially gainful in character which you would be expected to be capable of performing in light of your training, experience and abilities. Evidence of disability satisfactory to the Trustees must be submitted. Disability will not be considered permanent until it has continued for 6 consecutive months, you are Vested and you became totally and permanently disabled within 3 plan-years of the date you had a Break in Service.

If you become disabled, have applied for Social Security disability benefits and qualify to receive Early Retirement Benefits under the Plan, you may elect to receive your Early Retirement Benefit immediately. If you receive a Social Security disability award within 12 months of your Early Retirement Date, you may convert your Early Retirement Benefit to a Disability Retirement Benefit. Your benefit amount will be adjusted retroactive to the later of the effective date of your disability or the date of your disability application.

Benefit

A monthly Disability Retirement Income would equal your Early Retirement Income earned to the date of your disability—**plus** 20%, but subject to the following:

1. The maximum monthly benefit is the Normal Retirement Income earned to the date of your disability, and
2. The minimum monthly benefit is the greater of:
 - a. \$100 per month; or
 - b. Your Early Retirement Income earned to the date of your disability, calculated at age 55, plus 20%.

Special Notes:

1. If you meet the special eligibility rules for an Enhanced Early Retirement Benefit at the time that you become totally and permanently disabled, then your benefits are calculated using those special benefit factors (as described on page 9), calculated at your Effective Date of Retirement plus 20%—not to exceed your Normal Retirement Income earned to the date of your disability.

2. **Activity Test to Determine Eligibility For A Disability Retirement Benefit.** In order to be entitled to a Disability Retirement Benefit, you must be considered “active” in the Plan. Therefore, you will only be eligible for a Disability Retirement Benefit if you meet all of the eligibility requirements set forth above (whether for the standard form of Disability Retirement Income or the enhanced benefits)—and in addition—you are considered “active” in the Plan at the time you are disabled. For this purpose, you will be considered “active” in the Plan if you are totally and permanently disabled within a plan year (Jan. 1 to Dec. 31) that is less than 3 years from the plan-year in which you first had less than 500 hours of covered employment.
3. **Qualified Domestic Relations Orders (QDRO).** The Plan may pay your benefits to a spouse, former spouse, child or other dependent (known as an alternate payee) only if it is in receipt of a Qualified Domestic Relations Order (QDRO). A QDRO relates to the provision of child support, alimony payments or marital property rights. A QDRO assigns to the alternate payee the right to receive all or a portion of your benefits.

No order will be considered a QDRO until it has been approved by the Plan. The Plan will evaluate an order when it is received, and within 30 days notify you and the alternate payee named in the order of its receipt and whether it is a QDRO.

During any period when there is an issue of whether an order or proposed order is or will be a QDRO, the Plan will separately account for amounts which will be payable to the alternate payee upon approval of the QDRO. The Plan will separately account for the amounts for up to 18 months, beginning with the date that a payment is first required to the alternate payee under the order or proposed order. If a QDRO is not approved by the Plan in this 18-month period, the amounts will be paid to you, and any QDRO subsequently approved will be given prospective effect only. If a QDRO is approved within the 18-month period, the amounts will be paid in accordance with the QDRO.

An alternate payee is required to notify the Plan in writing of the intent to commence benefits. The Plan may require the alternate payee to submit documentation to process the application.

Before submitting a proposed QDRO to the court, you are urged to forward a copy to the Administration Office for review. Please consult the Plan or contact the Administration Office for further information regarding QDRO's.

SECTION 5

Death Benefits

Spouse's Preretirement Death Benefit

Eligibility

If you die while you are Vested and have been married to your spouse for at least 1 year, your spouse will be eligible for a Spouse's Preretirement Death Benefit (Plan Section 405).

Benefits

Your spouse will be entitled to the Spouse's Preretirement Death Benefit if you are Vested. However, if you are only partially Vested at the date of your death, your spouse will be eligible for the benefits calculated below, multiplied by the Vesting percentage you had attained at the date of your death.

Your surviving spouse's benefit is a monthly pension equal to what your spouse would have received if you retired the day before your death after electing a 50% Survivor Option. It is determined as follows:

1. First, the benefit rate amount earned to your date of death is calculated. In the case of death after age 65, this would equal your Normal Retirement Benefit or Late Retirement Benefit. In case of death before age 65, the benefit rate equals your accrued Early Retirement Benefit.
2. Next, the benefit determined in Step 1 above is actuarially reduced, depending on the ages of you and your spouse at the date of your death. This determines the benefit you would have received had you chosen and retired with a 50% Survivor Option on the day prior to your death.
3. Your surviving spouse would receive 50% of the result of Step 2 (Plan Section 507).

However, if you die prior to reaching age 55, and at that time are otherwise eligible, the spouse's preretirement death benefit will not commence until the first day of the month following the day you would have reached age 55, had you lived.

(See Lump Sum Preretirement Death Benefit for possible alternative provision.)

Lump Sum Death Benefit

Eligibility

If you die before retirement, your beneficiary will be entitled to a Lump Sum Death Benefit if you have 5 years of Credited Service and you are Vested. However, as explained below, if your spouse becomes eligible for both this benefit and the Surviving Spouse's Preretirement Death benefit, he/she must choose between them (Plan Section 508).

Beneficiary Designation

You may designate a beneficiary of your choice, unless you are married. If you are married and your spouse qualifies for the Spouse's Preretirement Death Benefit you must designate your spouse.

However, the following rules apply:

1. Designation of a beneficiary must be on a form approved by the Trust.
2. Your Beneficiary Designation Form must be on file with the Trust Office prior to your death.
3. You may change your beneficiary at any time, provided that you follow the rules set forth above.

If you need a Beneficiary Designation Form, they are available from the Administration Office.

If you name your spouse as your beneficiary and your marriage is dissolved, the Beneficiary Designation Form you have on file will automatically be invalidated. To retain your former spouse as your beneficiary, you must complete a new Beneficiary Designation Form. In certain situations you may be required to provide your former spouse with any present or future benefit payments under the terms of a Qualified Domestic Relations Order (QDRO), as described on page 11.

If no properly designated beneficiary survives you, your death benefit will be paid in the following order of preference.

1. Surviving spouse, if married for one year before your death.
2. Surviving children.
3. Surviving grandchildren.
4. Surviving parents.
5. Estate.

Remember only beneficiary designations that are made on forms supplied by the Trust will be recognized by the Trustees.

Benefit

If eligible for this benefit, your designated beneficiary will receive 100% of the contributions made to your account. It is payable in one lump sum.

Please note that this benefit is **not** paid in addition to the Spouse's Preretirement Death Benefit.

Eligibility for Either a Spouse's Preretirement Death Benefit or a Lump Sum Death Benefit

If eligible for both the Alternative Lump Sum Death Benefit and the Spouse's Preretirement Death Benefit, your surviving spouse may receive either the Lump Sum Death Benefit or the Surviving Spouse's Preretirement Death Benefit, but not both.

Your surviving spouse should contact the Administration Office for the necessary calculations and forms for choosing the option he/she prefers.

However, no slayer of an Employee or beneficiary shall in any way acquire any property or receive any benefit from this Plan, if convicted of wrongfully killing an Employee or beneficiary who is receiving or is eligible to receive benefits under this Plan. With regard to any property which would have passed from the decedent or his estate to the slayer, the slayer shall be deemed to have predeceased the decedent. Benefits shall be paid either to the contingent beneficiary named by the decedent, or in the absence of the selection of a contingent beneficiary, to the children, if any, of the decedent or to the beneficiary entitled to the proceeds, under either the Last Will of the decedent or the laws of descent and distribution in the state of domicile of the decedent provided such persons are not disqualified as slayers.

SECTION 6

What Benefit Payment Options Are Available?

Your Normal, Early or Late Retirement Income will be paid under one of the following options and must be elected in writing. The amount of each option will be supplied when your application is received.

The options are:

1. 50% Survivor Option.

Your accrued benefits may be paid in the form of a 50% Survivor Option. If you are married, your benefits **must** be paid in this form unless another option is elected. This monthly payment is determined by the ages of both you and your spouse at the date of your retirement (Plan Sections 601, 602B and 603B). If you die before your beneficiary, the surviving beneficiary will continue to receive half of the benefit you were receiving for the remainder of their life.

2. Life Annuity Option.

You may elect to receive an annuity payable until your death.

If you die before such payments equal the sum of all contributions to your credit, the difference will be paid to your surviving beneficiary.

3. 66-2/3% Survivor Option.

This option pays you a greater amount than the 100% option, but less than the 50% option (Plan Section 603B). If you die before your beneficiary, the surviving beneficiary will continue to receive two-thirds of the benefit you were receiving for the remainder of their life.

4. 100% Survivor Option.

The 100% Survivor Option provides a monthly retirement income to you that will be less than the Life Annuity, the 50% Survivor Option, or the 66-2/3% Survivor Option. Under this option, if you die before your named beneficiary, your surviving beneficiary will continue to receive the same benefit you were receiving for the remainder of their life (Plan Section 603B).

5. Social Security Adjustment Option.

Under this form of benefit, the Employee receives a higher retirement income rate prior to (and a reduced rate after) commencement of his social security payments so that insofar as is practical a combined level income from the Plan and his predicted social security Primary Old Age Benefit will result.

Please note that this form of benefit is not available if you elect a Disability Retirement Benefit.

Pop-Up Benefit

If any one of the Survivor Options above is elected, and your beneficiary dies before you, the benefit being paid to you will revert to the Life Annuity benefit. That is, future payments will be increased to the benefit that would have been paid, had the option not been elected.

If any one of the Survivor Options above is elected, and your marriage is dissolved, the benefit paid to you may be increased to the Life Annuity benefit if your former spouse provides a formal written waiver of rights to any present or future benefit payments and death benefit payments under the terms of a Qualified Domestic Relations Order (QDRO). Such QDRO must be in a written form suitable to the Board of Trustees who shall have sole discretion to determine if the language of the QDRO is acceptable.

When May I Elect an Option?

When your application for benefits is received, the Trustees will send you a written explanation of the financial effect of each option. You and your spouse have 90 days from the date this explanation is provided to elect one of the options. However, if the explanation is provided more than 90 days prior to your retirement date, your election period is the 90 days before your retirement date.

You may revoke an election during the election period. Once the election period expires, you may not change the type of retirement you elected nor your form of payment. However, if your payment option results in your exceeding certain benefit limits established by the IRS, you will be given the option to change your form of payment. You will be notified if this occurs. If you are married and fail to make an election within the 90-day period, or if your spouse fails to consent to the election, you will receive the 50% Survivor Option. If you are unmarried and fail to choose one of the benefit payment options, you will receive the Life Annuity Option.

What Happens If I Return To Work After I Have Retired?

If you are retired and you work 501 hours in a plan-year, benefits will thereafter be suspended for the remainder of the plan-year for any month in which you work 40 hours or more for a Participating Employer, formerly Participating Employer, or an employer subject to a Reciprocity Agreement under the Plan. This is provided that the employer is in:

1. The geographic area covered by the Plan,
2. An industry in which Employees are employed and earning Credited Future Service under the Plan and
3. A trade or craft in which you were employed at any time under the Plan.

You are required to notify the Administration Office upon resuming employment following your retirement. In that event, you will be notified if and when retirement payments will be suspended. Thereafter, your retirement benefits will be suspended until the earlier of the beginning of the next Plan year or you certify in writing to the Administration Office that you have ceased to be reemployed.

However, benefits will not be suspended for any month after you have attained age 65.

If you have earned Covered Hours of Employment in a Plan year your retirement income will be increased as a result of the additional contributions due the Trust when your benefits recommence.

If you return to work after having elected Early Retirement, there shall be a one-time actuarial adjustment to your retirement income as of the month payments resume. This adjustment is based on the early retirement reduction factor applicable to your adjusted age (your original retirement age increased by the number of months in which you were re-employed for 40 hours or more).

SECTION 7

What Happens If I Change Employment?

A number of different situations are extremely important to understand if you move from the lodge in which you are now a member, change from the employer for whom you work, move to another trade, are terminated or absent from work, etc.:

1. If you change from one Participating Employer to another, you will remain a participant under the Plan just as if you had not changed employment.
2. If you work more than 500 Covered Hours of Employment in a plan-year, you will maintain continuous service for that year and will not forfeit your accrued pension benefits.
3. If you work 500 or less Covered Hours of Employment or hours of Contiguous Noncovered Service in any plan-year, you will be charged with a 1-year Break in Service and will be considered a terminated employee (Plan Section 701).*
4. If you are not Vested and the number of consecutive 1-year Breaks in Service (plan-years of 500 hours or less) equals or exceeds the greater of 5 or your pre-break Credited Future Service, you will permanently forfeit your prior Service Credits and benefits (Plan Section 702).
5. However, if you return to Covered Employment and earn more than 500 Covered Hours of Employment or hours of Contiguous Noncovered Service in a plan-year before the number of consecutive 1-year Breaks in Service equals the greater of 5 or your pre-break Future Service, then your pre-break Service will be reinstated (Plan Section 703).

*For the Short Plan year, May 1, 1997–December 31, 1997, a 1-year Break in Service occurs if you work less than 333 hours of employment or hours of Contiguous Noncovered Service.

If you are absent from work for any period because of pregnancy, birth of a child, adoption of a child or caring for your newborn or adopted child, you will be credited with up to 501 hours to prevent a Break in Service. Hours will be credited in the plan-year in which the absence commences, if necessary to prevent a Break in Service, or in the next following year.

Can My Credits Be Cancelled?

As mentioned above, your Credited Service and accrued benefits will be lost if you incur a 1-year Break in Service before you become Vested. However, your Credited Service will be reinstated if you earn more than 500 hours in a plan-year before the number of consecutive 1-year Breaks in Service equal the greater of 5 or your pre-break Credited Future Service.

When Am I Vested?

You are vested after you have 5 years of Credited Service without a forfeiture of Prior Credited Service.

If Vested, these Vested benefits will never be lost, even if you incur one or more 1-year Breaks in Service following the completion of your Vesting period.

Please note, also, that even if Vested, you must meet all of the disability eligibility rules in order to be entitled to a Disability Retirement Benefit.

Your Vested benefits are eligible to become payable when you reach the applicable age requirement for either Normal or Early Retirement. In addition, if you meet the “Activity Test” for a Disability Retirement Benefit and meet all other eligibility rules for a Disability Retirement Benefit, then your Vested benefits will become payable at that time.

Finally, your Vested benefits will be payable under the terms of those Plan provisions upon your death.

If you die before retirement, either the Spouse’s Preretirement Death Benefit or the Lump Sum Death benefit will be payable. Please see the appropriate sections for determination as to who would receive those benefits.

SECTION 8

Summary Plan Description

1. Name of Plan

This Plan is known as the Automotive Machinists Pension Plan.

2. Board of Trustees/Plan Administrator

The Plan is maintained and administered by a joint labor-management Board of Trustees, with the assistance of a contract administrative agent. The name, address and telephone number of the contract administrative agent is:

Welfare & Pension Administration Service, Inc.
P.O. Box 34203
Seattle, Washington 98124
Phone: (206) 441-7574
Toll Free: (800) 732-1121

3. Members of The Board of Trustees

The names and addresses of the Trustees as of the date of this booklet are as follows:

Employer Trustees

John Swanson, Secretary
P.O. Box 34203
Seattle, Washington 98124

Arlene Erickson
P.O. Box 34203
Seattle, Washington 98124

William F. McCann, Jr.
P.O. Box 34203
Seattle, Washington 98124

Union Trustees

Don Hursey, Chairman
Machinists District Lodge No. 160
9135 – 15th Pl. South
Seattle, WA 98108

Robert James
Machinists District Lodge No. 160
9135 – 15th Pl. South
Seattle, WA 98108

Joe Kear
Machinists District Lodge No. 24
3645 SE 32nd Avenue
Portland, OR 97202

4. Plan Sponsors

The Administration Office will provide any Plan participant or beneficiary, upon written request, information as to whether a particular employer or labor organization is sponsoring the Trust.

5. Legal Process

The agent for service of legal process is the contract administrative agent listed above. Legal process may also be served on any of the Trustees.

6. Identification Number

The Employer Identification Number assigned to the Plan by the Internal Revenue Service is EIN 91-6123687. The Plan Number is 001.

7. Type of Plan

The Plan can be described as a defined benefit pension plan.

8. Plan Year

The date the plan-year and fiscal year-end is December 31.

9. Description of Collective Bargaining Agreements

This Plan is maintained under numerous collective bargaining agreements. Copies of the part(s) of the collective bargaining agreements which affect contributions to the trust are available for inspection at the Administration Office during regular business hours and, upon written request, will be furnished by mail. A copy of that portion of any collective bargaining agreement which provides for contributions to this Trust will also be available for inspection within 10 calendar days after written request at any of the local unions or district lodges or at the office of any contributing employer to which at least 50 Plan participants report each day. The Plan may impose a reasonable charge for furnishing copies.

10. Funding Medium

The Plan is funded through employer contributions, the amount of which is specified in collective bargaining agreements or subscription agreements. Contributions to the Plan are held in trust by the Board of Trustees pending payment of retirement benefits and administrative expenses.

11. Claim Procedures

The Plan's claim procedures are described beginning on page 1.

12. Protection Under The Pension Benefit Guaranty Corporation (PBGC)

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

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

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

The PBGC guarantee generally covers: (1) Normal and Early Retirement Benefits, (2) disability benefits if you become disabled before the Plan becomes insolvent and (3) certain benefits for your survivors.

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

For more information about the PBGC and the benefits it guarantees, ask your plan administrator or contact the PBGC's Technical Assistance Division, 1200 K Street, NW, Suite 930, Washington, DC 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>.

13. Availability of Information

Plan documents and all other pertinent documents required to be made available under ERISA are available for inspection at the Administration Office during regular business hours. Upon written request, copies of these documents will be provided. However, the Trustees may make a reasonable charge for the copies; the Plan Administrator will state the charge for specific documents on request so that you can find out the cost before ordering.

14. Participation, Eligibility And Benefits

An employee covered by a collective bargaining agreement becomes a participant after satisfying the eligibility period, not to exceed 6 months, in the applicable collective bargaining agreement. The circumstances in which a participant is eligible to receive benefits are described on beginning on page 4.

15. Joint And Survivor Annuity

As described beginning on page 14, the Plan provides a 50% Joint and Survivor Annuity to eligible participants who are married. A participant, with the consent of his spouse, may reject the Joint and Survivor Option and elect a Life Annuity, 100% Joint and Survivor Option, or 66-2/3% Joint and Survivor Option.

16. Ineligibility, Loss or Suspension of Benefits

The circumstances which result in a Break in Service and forfeiture of benefits are described on page 16. The circumstances that result in a suspension of benefits are described on page 15. A description of the service required to accrue benefits is found beginning on page 4.

17. Normal Retirement Age

The Plan's normal retirement age is 65 for participants who are vested with 5 years of service. A participant also has a right to normal retirement benefits on the later of the date he has attained age 65 or the 5th anniversary of participation without a Break in Service.

18. Termination of Trust

The Trust will terminate upon the death of the last surviving employee or beneficiary or at such later date which the Trust can continue without violating any rule of law. The Trust will terminate sooner if, in the judgment of the Board of Trustees, employer contributions are no longer being made and income from investment of Trust assets cannot reasonably be expected to exceed the costs of administration and provide benefits due so that it is no longer economically feasible for the Trust to continue. If the Plan is terminated, a covered employee's right to retirement income accrued to the date of termination becomes fully vested to the extent funded. Plan assets will be allocated first to benefits guaranteed under Title IV of the Employee Retirement Income Security Act of 1974 (ERISA) and then to retired employees, employees eligible to retire and to surviving spouses who were receiving payments before the Plan terminated on a pro rata basis. Remaining assets will be allocated to vested retirement income benefits on a pro rata basis.

19. Statement of Rights Under ERISA

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

- a. Examine, without charge, at the Plan Administration Office and at other specified locations, such as worksites and union halls, all 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.
- b. Obtain upon written request to the Plan Administrator copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
- c. 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 financial report.
- d. 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, this statement will tell you how many more years you have to work to obtain 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.

In addition to creating rights for Plan participants, ERISA imposes obligations upon the persons 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. If your claim for a pension benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to obtain copies of documents relating to the decision without charge and to have the Plan review and reconsider your claim.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request material from the Plan and do not receive them within thirty (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, or if you disagree with the Plan’s decision or lack thereof concerning the qualified status of a domestic relations order, you may request review on appeal by the Board of Trustees. Alternatively, you may file suit in a state or federal court but the court may decline the suit pending exhaustion of the Plan’s appeal procedures. 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. If you have any questions about your Plan, you should contact the Plan Administrator.

If you have questions about this statement or about your rights under ERISA, 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 also may obtain certain publications about your rights and responsibilities under ERISA by calling the publication hotline of the Employee Benefits Security Administration at (866) 444-3272 or www.dol.gov/ebsa.

SECTION 9

**AUTOMOTIVE MACHINISTS
PENSION TRUST**

PENSION PLAN

JANUARY 1, 2008 RESTATEMENT

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AUTOMOTIVE MACHINISTS PENSION TRUST PENSION PLAN

JANUARY 1, 2008 RESTATEMENT

ARTICLE I NAME AND EFFECTIVE DATE

This is the Pension Plan of the Automotive Machinists Pension Trust. The Plan was established May 1, 1958 and has been in effect since that date with amendments made from time to time.

The Plan is amended and restated as of January 1, 2008 to consolidate in a single instrument the Amendments adopted since the Plan was last restated January 1, 2006. The provisions of the Plan in effect at the date of an Employee's retirement, death, disability or Break in Service determine all rights of the Employee or his surviving spouse or other beneficiary under this Plan. No amendment effective after such retirement, death, disability or Break in Service shall apply to an Employee or his surviving spouse or beneficiary unless expressly stated to the contrary in the Plan.

ARTICLE II DEFINITIONS

The following definitions recite formulations utilized in this Plan. Any requirement included in these definitions shall be in addition to and not in substitution for any other requirement of this Plan.

Section 200. Actuarial Present Value

“Actuarial Present Value” means a benefit of comparable value computed on the following bases:

- (a) For purposes of determining the value of lump sum payments, if any, actuarial present value will be calculated using the following basis:
 - (1) The applicable mortality assumption prescribed by the Secretary of the Treasury under Code Section 417(e)(3)(A)(ii)(1).
 - (2) The interest assumption is the annual rate of interest on 30 year Treasury securities as specified by the Secretary of the Treasury for the month of November of the year immediately preceding the calendar year in which the lump sum is paid.
- (b) For purposes of determining the maximum retirement benefit under IRC § 415 in Plan Section 1206, actuarial present value will be calculated using the following basis:
 - (1) For purposes of adjusting benefits or limitations on or after January 1, 2002, under Internal Revenue Code (Code) § 415(b)(2) and for determining the present value of plan benefits under Code § 417(e)(3), the applicable mortality table is the table provided under Revenue Ruling 2001-62.
 - (2) The interest assumption will be the rate specified for benefits payable in a form subject to Code Section 417(e)(3), using the Plan Year as the stability period and using the interest rate specified by the Secretary of the Treasury for the month of November of the year preceding the stability period; and five percent (5%) for all other purposes.
 - (3) Notwithstanding the foregoing, application of the table in Rev. Rul. 2001-62 shall not be made prior to January 1, 2003, if application prior to that date would cause a reduction in the amount of any distribution.
- (c) For all other purposes, actuarial present value will be calculated using the following basis:
 - (1) The mortality assumption will be the 1971 Group Annuity Mortality Table, without adjustment.
 - (2) The interest assumption shall be seven percent (7%) per annum, compounded annually for all but disability retirements.

For disability retirements, the value of each form of payment shall be based on the 1965 Disabled Railway Employees' Ultimate Mortality Table, at an interest rate of seven percent (7%) per annum compounded annually.

Where applicable, the mortality of the spouse shall be based on the 1971 Group Annuity Mortality Table without adjustment. The forms are explained more fully in Plan Section 603.

- (d) "Actuarial Equivalence" means two benefits of equal actuarial present value based on the actuarial factors and assumptions specified in the provision in which that phrase is used or, if not otherwise specified, based on the assumptions described in this Section.

Section 201. Break in Service

The term "Break in Service" means the failure of an Employee to complete more than 500 Covered Hours of Employment or Contiguous Noncovered Service within any Plan Year. For the short Plan Year of May 1, 1997 through December 31, 1997 only, if an Employee has less than 333 Covered Hours of Employment during this period, the Employee will incur a one-year Break in Service as to that Plan Year.

For purposes of Section 701 only, such Service shall be deemed to include hours of absence from work for any period not exceeding 501 hours by reason of pregnancy of the Employee, birth of a child of the Employee, placement of a child of the Employee in connection with his or her adoption by the Employee, or caring for such child for a period beginning immediately following his or her birth or placement. Allowance of hours for this purpose shall be either in the Plan Year in which the absence commences, if necessary to prevent a Break in Service, or the next following Plan Year, but not in both.

Section 202. Collective Bargaining Agreement

The term "Collective Bargaining Agreement" means a written labor agreement between a Union and an Employer or Employer organization under which Employer contributions are specified and required to be made to the Automotive Machinists Pension Trust and any substitution, extension, renewal or replacement of such a labor agreement under which Employer contributions are required to be made to this Plan.

Section 203. Contiguous Noncovered Service

The term "Contiguous Noncovered Service" means employment on or after May 1, 1976, with a currently participating Employer for which no contributions to this Plan are required and which precedes or follows service for which contributions to this Plan are required without a quit, discharge or retirement occurring between such covered and noncovered service. An Employee shall be credited with one year of Contiguous Noncovered Service if he completes 1000 hours of such employment in a Plan Year for which he receives no Credited Future Service. For the short Plan Year of May 1, 1997 through December 31, 1997 only, an Employee who completes 667 hours or more of such employment, as defined above, shall be credited with one year of Contiguous Noncovered Service. An Employee shall be given credit for each hour of employment as defined in Section 204.

Section 204. Covered Hours of Employment

The term "Covered Hours of Employment" means: each hour of employment for which an Employee is paid, or entitled to be paid, directly or indirectly, by an Employer under the terms of a Collective Bargaining Agreement or associate agreement for the performance of duties during a Plan Year; all hours for which an Employee is paid, or is entitled to payment, by the Employer on account of a period of time during which no duties are performed due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence; and all hours for which backpay, irrespective of mitigation of damages, is either awarded or agreed to by the Employer. Hours of Employment shall be determined on the basis of actual hours for which the Employee is paid or entitled to payment. Notwithstanding the foregoing, no more than 501 Hours of Employment shall be credited to an Employee for any single continuous period during which the Employee performs no duties. For the short Plan Year of May 1, 1997 through December 31, 1997 only, no more than 333 Hours of Employment shall be credited to an Employee for any single contiguous period during which the Employee performs no duties. This Section shall be applied pursuant to Department of Labor regulation §2530.200b-2, which is incorporated herein by reference.

Section 205. Credited Future Service

The term "Credited Future Service" means employment on or after the Employee's Effective Date of Coverage for which credit is due under Section 303.

Section 206. Credited Past Service

The term "Credited Past Service" means service by an Employee prior to his Effective Date of Coverage for which credit is due under Section 302. The term Credited Past Service does not include any past service credit awarded to an employee of an employer that withdraws from the Plan under the "Free Look" rule, which is forfeited under this rule.

Section 207. Credited Service

The term "Credited Service" means the sum of Credited Past Service, Credited Future Service and Contiguous Noncovered Service.

Section 208. Effective Date of Coverage

The term "Effective Date of Coverage" means the date on which an Employee commences participation in the Plan, which is the date on which Employer contributions are first required to be made to the credit of the Employee in question. Participation of a Vested Employee shall continue until all benefits due under the Plan have been paid. Participation of a non-Vested Employee shall be terminated and his Effective Date of Coverage forfeited at the end of any Plan Year in which he suffers an one-year Break in Service. A non-Vested Employee who resumes Covered Hours-of Employment after incurring a one-year Break in Service shall recommence participation on the date on which Employer contributions are again required to be made to the Plan, and if the Employee subsequently completes more than 500 hours of Contiguous Noncovered Service or Covered Hours of Employment in a Plan Year before his consecutive one-year Breaks in Service equal or exceed the greater of (a) five, or (b) the years of Credited Service prior to termination, his Effective Date of Coverage shall be the most recent Effective Date of Coverage before the Break in Service.

If a non-Vested Employee resumes Covered Hours of Employment after his consecutive one-year Breaks in Service equal or exceed the greater of (a) five, or (b) the years of Credited Service prior to termination, he shall be treated as a new Employee and his Effective Date of Coverage shall be the date after such termination on which the Employer contributions are first required to be made to the credit of the Employee. Special rules regarding Associate participation are set forth in Section 1207.

Section 209. Employee

The term "Employee" means any individual

- A. Employed by an Employer under a Collective Bargaining Agreement; or
- B. Employed by a Union which participates as an Employer under this Plan with respect to that individual in accordance with Plan Sections 210B and 1207 and who was previously a collectively bargained employee entitled to be treated as a collectively bargained employee under Treasury Regulations 1.410(b)-6(d)(2).

Section 210. Employer

The term "Employer" means any person or entity doing business in Washington, Oregon, Idaho, Montana, Utah, Wyoming or Colorado, which is expressly accepted by the Trustees, which has agreed in writing to be bound by the Trust Agreement, and which

- A. Has Employees under a Collective Bargaining Agreement; or
- B. Is a Union participating in this Plan for its eligible Employees under Plan Section 209B.

The initial or continued participation by such an Employer for its Employee group shall be compatible with the Plan and the basis on which other Employers contribute, as determined by the Board of Trustees.

Section 211. Military Service

"Military Service" shall mean qualified military service under § 414(u)(5) of the Internal Revenue Code. Contributions, benefits and service credit with respect to qualified military service will be provided in accordance with § 414(u)(5) of the Internal Revenue Code, which provides for pension credit if an employee returns to work with the same employer or another signatory employer within the time specified in the statute.

The term "qualified military or other uniformed service" under IRC § 414(u)(5) means service in the Armed Services (including the Coast Guard), the Army National Guard and the Air National Guard when engaged in active duty for training, inactive duty training or full-time National Guard duty, the commissioned corps of the Public Health Service, and any other category of persons designated by the President in time of war or emergency or any other persons covered under the applicable regulations.

Section 212. Plan

The term "Plan" means the Pension Plan of the Automotive Machinists Pension Trust as in effect from time to time, together with written rules and regulations adopted by the Trustees for uniformity in its administration.

Section 213. Plan Year

The term "Plan Year" (after January 1, 1998) means the fiscal year of the Plan, which is a twelve month period commencing annually on January 1 and ending the following December 31. (Previously, the "Plan Year" was May 1 through April 30.)

Section 214. Retirement Date

"Retirement Date" shall mean the date an Employee becomes eligible for Normal, Early, Rule of 85 Early, Disability, Late, or Retroactive Retirement, as described in Article IV, Eligibility for Benefits, and Section 606B, Retroactive Retirement Date.

Section 215. Trust Agreement

The term "Trust Agreement" means the legal instrument of which this Plan is a part and pursuant to which it is managed and administered as a qualified tax exempt pension plan and trust under the Internal Revenue Code, the Employee Retirement Income Security Act (ERISA), the Labor-Management Relations Act and other applicable legislation.

Section 216. Trustees

The term "Trustees" means those persons who direct this Plan and Trust as plan administrator pursuant to the Trust Agreement.

Section 217. Union

The term "Union" means any local or district lodge of the International Association of Machinists and Aerospace Workers and any other labor organization which is a party to a Collective Bargaining Agreement, subscribes in writing to the Trust Agreement, and is accepted by the Trustees.

Section 218. Vest

The term "Vest" or "Vested" means a permanent non-forfeitable right to retain accrued Credited Service and benefits notwithstanding any subsequent Break in Service. See Section 704.

ARTICLE III ACCUMULATION OF CREDITED SERVICE

Section 301. Benefits Based on Credited Service

Eligibility for benefits under this Plan is based on years of Credited Service.

Section 302. Credited Past Service

- A. Credit Due. An Employee receives retirement credit for employment prior to his Effective Date of Coverage at the rate of one year of Credited Past Service for each year of Continuous Service (see paragraph B) in Covered Employment prior to May 1, 1979 (see paragraph C), but subject to a maximum (see paragraph D).
- B. Continuous Service. Continuous Service means employment for at least nine (9) months during any year without significant interruption. Employment for less than nine (9) months during any year shall be disregarded. No credit shall be allowed for employment by an Employee prior to a break in his Continuous Service. The Continuous Service of an Employee shall be broken if in any period of thirty-six (36) consecutive months he was employed for less than six hundred (600) hours; provided, however, an absence from such employment during the period commencing January 1, 1942 and ending January 1, 1946 shall be ignored in determining a break in his Continuous Service; and provided further,

if an Employee was employed for less than six hundred (600) hours during any period of thirty-six (36) consecutive months due to illness or injury which prevented his being employed, an additional period of time equal to such period of illness or injury shall be considered in determining whether there was such a break in his Continuous Service. The Trustees by regulation may provide additional periods of grace for determining interruptions in continuous employment under classifications uniformly applicable to all Employees.

C. Covered Employment. "Covered Employment" means service by an Employee prior to May 1, 1979 which preceded his Effective Date of Coverage under any combination of the following classifications:

- (1) All past service with his Employer at the time of his Effective Date of Coverage, provided his Effective Date of Coverage coincides with the date of commencement of participation in this Plan by such Employer.
- (2) All past service in the Automotive Repair Industry with an Employer participating in this Plan.
- (3) All past service in the Automotive Repair Industry with any non-participating Employer within the geographical scope of this Plan who then had a labor agreement with a Union now participating in this Plan; provided, however, in the event an Employee's Effective Date of Coverage is after May 1, 1963, his Covered Employment under this paragraph C shall be reduced by one year for each year or fraction thereof by which his Effective Date of Coverage is later than May 1, 1963.

D. Maximum. The maximum Credited Past Service for any Employee shall be determined in accordance with the following schedules:

(1) For Employees whose Effective Date of Coverage was before May 1, 1969:

<u>Attained Age on Employee's Effective Date of Coverage</u>	<u>Maximum Allowable Years of Credited Past Service</u>
55 years and under	10 years
56 years	11 years
57 years	12 years
58 years	13 years
59 years	14 years
60 years	15 years
61 years	16 years
62 years	17 years
63 years	18 years
64 years	19 years
65 years and over	20 years

(2) For Employees whose Effective Date of Coverage was on or after May 1, 1969:

<u>Employee's Effective Date of Coverage</u>	<u>Maximum Allowable Years of Credited Past Service</u>
May 1, 1969 – April 30, 1970	10 years
May 1, 1970 – April 30, 1971	9 years
May 1, 1971 – April 30, 1972	8 years
May 1, 1972 – April 30, 1973	7 years
May 1, 1973 – April 30, 1974	6 years
May 1, 1974 – April 30, 1975	5 years
May 1, 1975 – April 30, 1976	4 years
May 1, 1976 – April 30, 1977	3 years
May 1, 1977 – April 30, 1978	2 years
May 1, 1978 – April 30, 1979	1 year
May 1, 1979 or thereafter	0

Section 303. Credited Future Service

An Employee receives retirement credit from and after his Effective Date of Coverage pursuant to the following schedules:

A.	Covered Hours of Employment in Plan Years After <u>May 1, 1976</u>	Credited Future Service for Such Years
	1000 hours and over	1.0 year
	830 hours but less than 1000 hours	3/4 year
	660 hours but less than 830 hours	1/2 year
	501 hours but less than 660 hours	1/4 year
	less than 501 hours	none

For the short plan year of May 1, 1997 through December 31, 1997 brought about by the change in fiscal year-end from April 30, 1997 to December 31, 1997, a year of Credited Future Service shall be granted if an Employee completes 667 or more of Covered Hours of Employment during that eight-month period. Awards of less than one year of Credited Future Service shall be prorated, using 2/3rds of the above numbers. No fractional year of service shall be awarded if the Covered Hours of Employment during this period are less than 333. Similarly, for the short Plan Year, if the Employee has less than 333 Covered Hours of Employment, a Break in Service shall occur. The following schedule shall apply:

	Covered Hours of Employment from May 1, 1997 through <u>December 31, 1997</u>	Pro Rata Credited <u>Future Service</u>
	667 hours and over	1.0 year
	501 hours but less than 667 hours	3/4 year
	333 hours but less than 501 hours	1/2 year
	less than 333 hours	0
B.	Covered Hours of Employment in Plan Years Before <u>May 1, 1976</u>	
	1000 hours and over	1.0 year
	720 hours but less than 1000 hours	1/2 Year
	360 hours but less than 720 hours	1/4 year
	less than 360 hours	None

Section 304. Participation in Plan

All Employers shall participate for their respective Collective Bargaining Agreement Employees, provided that such Agreements may provide for waiting periods not exceeding six (6) months before Employer contributions to the Plan for an Employee are due. The rules of participation for Employees are set forth in Sections 208 and 1207.

ARTICLE IV ELIGIBILITY FOR BENEFITS

Section 401. Normal Retirement.

An Employee who has retired, as defined in Section 408, shall be eligible for and have a nonforfeitable right to normal retirement income in accordance with Section 503 if:

- A. He has attained age 65, and either
- B. He has 5 years of Credited Service, or
- C. He has attained the 5th anniversary of his Effective Date of Coverage. Anniversaries prior to a Break in Service shall be disregarded unless the Effective Date of Coverage is reinstated pursuant to Section 208.

Section 402. Early Retirement

- A. Standard Rate. An Employee who has retired, as defined in Section 408, shall be eligible for early retirement income at a standard rate in accordance with Section 504A if:
 - (1) He has attained age 55 but not yet attained age 65; and
 - (2) He has 5 years of Credited Service.
- B. Rule of 85. An Employee who has retired, as defined in Section 408, shall be eligible for early retirement at an enhanced rate in accordance with Section 504B if:
 - (1) He has not attained age 65;
 - (2) The sum of his full years of age and Credited Future Service equals or exceeds 85;
 - (3) He has earned contributions to this Plan for 2,500 Covered Hours of Employment within the 60 months immediately preceding his retirement date; and
 - (4) Contiguous Non-Covered Service and Related Plan service credit do not apply under this rule.

Section 403. Late Retirement

If an Employee continues working beyond the date on which he would be eligible for normal retirement he shall be eligible for late retirement income in accordance with Section 505. Retirement must commence not later than the required beginning date under Section 606.

Section 404. Disability Retirement

An Employee shall be eligible for disability retirement income in accordance with Section 506 if:

- A. He has not attained age 65; and
- B. He has 5 years of Credited Service; and
- C. He is totally and permanently disabled by bodily injury, disease or mental disorder which, on the basis of medical evidence, is found by the Trustees to be permanent and continuous during the remainder of the Employee's lifetime and which will render that Employee incapable of engaging in any regular employment for an Employer or engaging in any other regular occupation substantially gainful in character which he would otherwise have been expected to be capable of performing in light of his training, experience, and abilities; and
- D. He becomes permanently and totally disabled while active in the Plan or within three Plan Years after incurring a Break in Service.
- E. Evidence of disability satisfactory to the Trustees shall be provided, and the Employee shall submit to such additional medical examinations as the Trustees may require at the expense of the Trust. Disability will not be considered permanent until it has continued for a period of six consecutive months. However, the Trustees may waive this six month requirement if in their sole discretion they determine there can be no reasonable dispute as to whether such disability is both total and permanent. The Trustees may require satisfactory evidence of continued disability of an Employee receiving disability retirement benefits.

If an Employee ceases to be permanently and totally disabled, he shall report this information promptly and in writing to the Trustees.

Section 405. Spouse's Preretirement Death Benefit

If an Employee is Vested but dies prior to receiving any benefit payment under this Plan, his surviving spouse shall receive an annuity pursuant to Section 507; provided, however, the Employee and his surviving spouse must have been lawfully married throughout the one-year period ending on the earlier of the date of his death or the date of his eligibility for retirement income. Except for the foregoing, no pre-retirement death benefit shall be payable to a former spouse who was named as a beneficiary of a survivor benefit prior to a divorce unless the Employee designates the former spouse as the Employee's beneficiary in a written document after the date of the divorce or unless a QDRO specifically provides the spouse will receive a survivor benefit upon the Employee's death.

Section 406. Alternate Lump Sum Death Benefit

The surviving beneficiary or beneficiaries of a deceased Employee shall be entitled to a death benefit under Section 508 if at the date of the Employee's death:

- A. He has five (5) years of Credited Service; and
- B. No retirement or other benefit has been paid to or for him under this Plan; and
- C. He is not survived by a spouse eligible for the preretirement death benefit under Section 405.

A surviving spouse who is eligible for both may elect to receive this Lump Sum Death Benefit instead of the spouse's preretirement death benefit.

Death benefits for the surviving spouse or other contingent annuitant of an Employee who has received one or more retirement benefit payments are such as remain payable under Section 603, if any.

Section 407. Partial Benefit

An Employee who is subject to a Break in Service which commenced between May 1, 1987 and May 1, 1991, but is partially Vested under Section 704B, shall be deemed to have partially fulfilled the Credited Service requirements then in effect, to the extent he is Vested, and shall be eligible for a correspondingly lower retirement income or death benefit under Section 509. Partially Vested benefits shall become payable upon fulfillment of the age and requirements other than Credited Service applicable under one of the preceding Sections.

Section 408. Retirement

To be considered retired, an Employee must have a bona fide termination from employment with an Employer contributing to the Plan or who formerly contributed to the Plan. An Employee who retires and returns to work shall also be subject to Section 604, Reemployment After Retirement.

ARTICLE V AMOUNT OF BENEFITS

Section 501. Credited Past Service Rates

Normal retirement income for Credited Past Service shall be calculated at the following rates:

- A. \$6.00 per month for each year of Credited Past Service if the Employee has been credited with contributions at a rate of \$.20 per hour or more.
- B. \$4.50 per month for each year of Credited Past Service if the Employee has not been credited with contributions at a rate of \$.20 per hour or more.

If a Vested Employee had a Break in Service and later returned to work for an Employer prior to the date on which he first retires, the rate for his Credited Past Service shall be the rate in effect prior to such Break in Service, unless thereafter he has earned one-half year or more of Credited Future Service based on contributions of \$.20 or more per hour.

Section 502. Credited Future Service Rates

- A. For Employees who retire on January 1, 2000 or thereafter and have not had a Break in Service of one year or more as of January 1, 2000, the accrual rates shall be as follows:
 - (1) 5.35% of contributions for service in calendar years or Plan Years prior to 2004;

- (2) 3.00% of contributions for service in calendar year 2004; and
- (3) 2.00% of contributions for service in calendar year 2005 and thereafter.

For Employees who retire on January 1, 2000 or thereafter and who at any time prior to January 1, 2000 have one or more Breaks in Service of one year or more, the accrual rates for service in calendar years or Plan Years following the most recent Break in Service shall be the accrual rates described in paragraphs (1), (2) and (3) above. The accrual rates for service in calendar years preceding any Break in Service shall be subject to the provisions of Subsections H and I.

- B. For Employees who retire between January 1, 1999 and December 31, 1999 and have not had a Break in Service of one year or more as of January 1, 1999, the accrual rate for service in calendar years prior to January 1, 1999 shall be 5.15%.

For Employees who retire between January 1, 1999 and December 31, 1999 and who at any time prior to January 1, 1999 have one or more Breaks in Service of one year or more, the accrual rate shall be 5.15% of contributions for service in calendar years following the most recent Break in Service. The accrual rates for service in calendar years preceding any Break in Service shall be subject to the provisions of Subsections H and I.

- C. For Employees who retire between May 1, 1991 and December 31, 1998 and have not had a Break in Service of one year or more as of January 1, 1999, the accrual rate for service in Plan Years prior to January 1, 1999 shall be 4.65%.

For Employees who retire between May 1, 1991 and December 31, 1998 and who at any time prior to May 1, 1991 have one or more Breaks in Service of one year or more, the accrual rate shall be 4.65% of contributions for service in Plan Years following the most recent Break in Service prior to May 1, 1991. The accrual rates for service in Plan Years preceding any Break in Service prior to May 1, 1991 shall be subject to the provisions of Subsections H and I.

- D. For Employees who retire between May 1, 1990 and April 30, 1991 and have not had a Break in Service of one year or more as of May 1, 1990, the accrual rate for service in Plan Years prior to May 1, 1990 shall be 4.60% and the accrual rate for service between May 1, 1990 and April 30, 1991 shall be 4.55%.

For Employees who retire between May 1, 1990 and April 30, 1991 and who at any time prior to May 1, 1990 have one or more Breaks in Service of one year or more, the accrual rate shall be that described in the preceding paragraph for Plan Years following the most recent Break in Service. The accrual rates for service in Plan Years preceding any Break in Service prior to May 1, 1990 shall be subject to the provisions of Subsections H and I.

- E. For Employees who retire between May 1, 1989 and April 30, 1990 and have not had a Break in Service of one year or more as of May 1, 1989, the accrual rate for service in Plan Years prior to May 1, 1990 shall be 4.55%.

For Employees who retire between May 1, 1989 and April 30, 1990 and who at any time prior to May 1, 1989 have one or more Breaks in Service of one year or more, the accrual rate shall be 4.55% for Plan Years following the most recent Break in Service. The accrual rates for service in Plan Years preceding any Break in Service shall be subject to the provisions of Subsections H and I.

- F. For Employees who retire between May 1, 1988 and April 30, 1989 and have not had a Break in Service of one year or more as of May 1, 1988, the accrual rate for service in Plan Years prior to May 1, 1989 shall be 4.45%.

For Employees who retire between May 1, 1988 and April 30, 1989 and who at any time prior to May 1, 1988 have one or more Breaks in Service of one year or more, the accrual rate shall be 4.45% for Plan Years following the most recent Break in Service. The accrual rates for service in Plan Years preceding any Break in Service shall be subject to the provisions of Subsections H and I.

- G. For Employees who retire between May 1, 1987 and April 30, 1988 and have not had a Break in Service of one year or more as of May 1, 1987, the accrual rate for service in Plan Years prior to May 1, 1988 shall be 4.00%.

For Employees who retire between May 1, 1987 and April 30, 1988 and who at any time prior to May 1, 1987 have one or more Breaks in Service of one year or more, the accrual rate shall be 4.00% for Plan Years following the most recent Break in Service. The accrual rates for service in Plan Years preceding any Break in Service shall subject to the provisions of Subsections H and I.

- H. Subject to the specific provisions of Subsections A through G, a Break in Service has the affect of freezing the accrual rate at levels in effect on the date that the Break in Service becomes effective. The effective date of benefit accrual rates in effect prior to January 1, 2000 are shown below:
- (1) Effective January 1, 1999, 5.15% of contributions extended retroactively to prior periods.
 - (2) Effective May 1, 1991, 4.65% of contributions extended retroactively to prior periods.
 - (3) Effective May 1, 1990, 4.55% of contributions between May 1, 1990 and April 30, 1999 and 4.6% of contributions extended retroactive to prior periods.
 - (4) Effective May 1, 1989, 4.55% of contributions extended retroactive to prior periods.
 - (5) Effective May 1, 1988, 4.45% of contributions extended retroactive to prior periods.
 - (6) Effective May 1, 1987, 4.00% of contributions extended retroactive to prior periods.
- I. The above rates shall not apply to Employees retired or subject to a Break in Service commencing prior to May 1, 1987, except that one-time supplemental payments were provided to all previously retired Employees or their beneficiaries by Amendments 16, 17, 18, 20 and 29; the monthly benefit for Employees retired prior to May 1, 1988 was increased 3% by Amendment 14 and 4% by Amendment 29 for Employees who retired prior to May 1, 1996 who were on pay status as of December 31, 1996 and their beneficiaries; and provided further, the monthly benefit for Employees who retired prior to May 1, 1997 who were on pay status as of December 1, 1997, and their beneficiaries, was increased by two percent (2%), and such persons are also awarded a supplemental nonrecurring benefit of \$650.00 paid in December, 1997 and \$350.00 in January, 1998.

A supplemental non-recurring benefit of \$350.00, payable in December 1998, and an additional check of \$650, payable in January 1999, is awarded to all retired Employees and beneficiaries who were in retiree status as of December 31, 1997 and receiving a pension check as of December 1, 1998. A supplementary, non-recurring pension benefit of the greater of one month's payment or, except for reciprocity pensioners and their beneficiaries, the sum of \$750, is awarded to each pensioner or beneficiary receiving a pension check on December 1, 1999, payable in December, 1999. A similar benefit will be provided to each pensioner and beneficiary receiving a pension check on December 1, 1999, payable in June, 2000. A supplementary, non-recurring pension benefit of the greater of one month's payment or, except for reciprocity pensioners and their beneficiaries, the sum of \$1,000, is awarded to each pensioner or beneficiary receiving a pension check on December 1, 2000, payable in December, 2000. The monthly pension benefit of pensioners and beneficiaries in pay status as of December 31, 1999 shall be increased by 4%.

Section 503. Normal Retirement Income

Monthly normal retirement income is the sum of the payments for Credited Past and Future Service determined by Sections 501 and 502. Normal retirement income shall be accrued on the basis of a life annuity described in Section 603A.

Section 504. Early Retirement Income

- A. Standard Rate. Monthly early retirement income at the standard rate shall be determined as follows:
- (1) First determine the monthly normal retirement income as if the Employee were age 65 at the date-of his retirement.
 - (2) Next, to take account of the fact that the Employee is younger than age 65, reduce the amount determined by paragraph (1):
 - (a) If the Employee retires between ages 60 and 65, the amount determined by paragraph (1) is reduced by 1/4 of 1% for each month his retirement precedes age 65.
 - (b) If the Employee retires between ages 55 and 60, the amount determined by paragraph (1) is reduced by 1/4 of 1% for each month between ages 60 and 65 and 1/2 of 1% for each month his retirement precedes age 60.

- B. Rule of 85. Monthly early retirement income for an Employee eligible under Section 402B shall be determined by the following table:

Rule of 85 Early Retirement Pension Reduction Factors
Rule of 85 Early Retirement Pension expressed as a fraction of
Normal Retirement Pension
 (Months)

Age at Retirement (Years)	0/12	1/12	2/12	3/12	4/12	5/12	6/12	7/12	8/12	9/12	10/12	11/12
65	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
64	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
63	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
62	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
61	0.9700	0.9725	0.9750	0.9775	0.9800	0.9825	0.9850	0.9875	0.9900	0.9925	0.9950	0.9975
60	0.9360	0.9388	0.9417	0.9445	0.9473	0.9502	0.9530	0.9558	0.9587	0.9615	0.9643	0.9672
59	0.8960	0.8993	0.9027	0.9060	0.9093	0.9127	0.9160	0.9193	0.9227	0.9260	0.9293	0.9327
58	0.8560	0.8593	0.8627	0.8660	0.8693	0.8727	0.8760	0.8793	0.8827	0.8860	0.8893	0.8927
57	0.8160	0.8193	0.8227	0.8260	0.8293	0.8327	0.8360	0.8393	0.8427	0.8460	0.8493	0.8527
56	0.7660	0.7702	0.7743	0.7785	0.7827	0.7868	0.7910	0.7952	0.7993	0.8035	0.8077	0.8118
55	0.7160	0.7202	0.7243	0.7285	0.7327	0.7368	0.7410	0.7452	0.7493	0.7535	0.7577	0.7618
54	0.6660	0.6702	0.6743	0.6785	0.6827	0.6868	0.6910	0.6952	0.6993	0.7035	0.7077	0.7118
53	0.6160	0.6202	0.6243	0.6285	0.6327	0.6368	0.6410	0.6452	0.6493	0.6535	0.6577	0.6618
52	0.5660	0.5702	0.5743	0.5785	0.5827	0.5868	0.5910	0.5952	0.5993	0.6035	0.6077	0.6118
51	0.5160	0.5202	0.5243	0.5285	0.5327	0.5368	0.5410	0.5452	0.5493	0.5535	0.5577	0.5618
50	0.4660	0.4702	0.4743	0.4785	0.4827	0.4868	0.4910	0.4952	0.4993	0.5035	0.5077	0.5118

- C. Adjustment. Early retirement income shall be subject to further adjustment according to the form of payment selected pursuant to Section 603.

Section 505. Late Retirement Income

Monthly late retirement income is normal retirement income increased by the benefits payable on account of Credited Future Service earned after normal retirement date.

Section 506. Disability Retirement Income

Disability retirement income for an Employee eligible under Section 404 shall be equal to 120% of the Employee's early retirement income earned to the date of disability and shall continue so long as the Employee continues to be disabled in accordance with Section 404; provided, however, disability retirement income shall not exceed the Employee's normal retirement income earned to the date of disability nor be less than the greater of A or B:

- A. \$100 per month, or
- B. 120% of the Employee's early retirement income calculated as of age 55.

If the disabled Employee meets the requirements of Section 402B and 504B regarding the Rule of 85, his disability retirement income shall not exceed his normal retirement income earned to the date of disability nor be less than the greater of A or B:

- A. \$100 per month, or
- B. 120% of the Employee's early retirement income under Section 504B.

Upon becoming eligible for disability retirement income, the monthly payments will be made retroactively to the first of the month following commencement of disability or six months prior to receipt of the Employee's application, whichever is later. Minimum disability income shall be prorated for retirees relying on reciprocal credits.

Section 507. Spouse's Preretirement Death Benefit

If an Employee dies prior to his retirement while Vested and otherwise is eligible under Section 405, the surviving spouse of the Employee shall be paid a preretirement death benefit. This death benefit shall be a Qualified Preretirement Survivor Annuity subject to the following terms and conditions:

- A. Death Before Age 55. If a Vested Employee dies before attaining age 55, the Annuity shall commence on the first day of the month after the 55th anniversary of his birth and continue during the life of his surviving spouse. The monthly Annuity amount shall be the same as the amount payable to the spouse under a 50% Survivor Option pursuant to Section 603B if the Employee had retired under that option at age 55 and died the next day.
- B. Death After Age 55. If a Vested Employee dies after attaining age 55, the Annuity shall commence on the first day of the month after his death and continue during the life of his surviving spouse. The monthly Annuity amount shall be the same as the amount payable under a 50% Survivor Option pursuant to Section 603B as if the Employee had retired under that option on the day before his death.
- C. Lump Sum. If the present value of the Annuity under this Section is less than \$5,000, the same shall be paid in a lump sum in lieu of monthly payments.
- D. Death After Retirement. If an Employee dies after payment of any retirement benefit, no death benefit shall be paid except as specified in the payment option selected by the Employee and his spouse pursuant to Section 603.

Section 508. Lump Sum Death Benefit

If eligible under Section 406, a lump sum amount equal to 100% of the contributions made for the benefit of the Employee shall be paid to his surviving beneficiary or beneficiaries, subject to the following conditions:

- A. An Employee shall have the right, in writing, to designate and thereafter to change his beneficiary, but no designation or change shall be effective unless it is received by the Administration Office prior to his death. Notwithstanding the foregoing, a married Employee whose spouse may qualify for the Spouse's Preretirement Death Benefit may not waive that benefit or designate a nonspouse beneficiary for preretirement death benefits. The dissolution of a marriage will invalidate the designation of a former spouse as beneficiary unless, after the dissolution, the former spouse is redesignated as beneficiary, or except as otherwise provided in a Qualified Domestic Relations Order (QDRO).
- B. If no properly designated beneficiary survives such an Employee, the lump sum benefit shall be paid in the following order of priority:
 - (1) To his surviving spouse, provided that they have been legally married for at least one (1) year prior to his death; or
 - (2) To his surviving children; or
 - (3) To his surviving grandchildren; or
 - (4) To his surviving parent or parents; or
 - (5) To his estate.

If upon reasonable inquiry by the Administration Office, no such person or estate representative can be located within one year after notification of his death, the lump sum death benefit shall lapse and be of no effect.

- C. Notwithstanding the existence of a designation of a spouse as beneficiary, a surviving spouse shall not be entitled to receive benefits under both Sections 507 and 508.

Section 509. Prorated Benefits

- A. An Employee who is subject to a Break in Service but partially Vested in accordance with Plan Section 704B shall receive partial benefits pro rata in accordance with Section 704B.
- B. Benefits for an Employee based on reciprocal credits pursuant to Plan Section 902 shall be pro-rata to the extent the Employee's Credited Service under this Plan is not sufficient for the requirements of this Plan.

ARTICLE VI FORM AND PAYMENT OF BENEFITS

Section 601. Form of Payment

An Employee's retirement benefit is payable monthly according to one of several alternative forms, one of which must be selected by the Employee and his spouse. These forms include:

- A. Life Annuity Option;
- B. 50% Survivor Option;
- C. 66 ⅔% Survivor Option;
- D. 100% Survivor Option; and
- E. Social Security Adjustment Option.

Section 602. Application for Retirement; Election of Benefits; Designation of Beneficiary

- A. Application for Retirement. Application for retirement shall be made in writing on such form and in such manner as prescribed by the Trustees.

Each Employee and his spouse shall furnish accurate information and evidence requested to administer this Plan. If benefits are paid in reliance on an inaccurate statement, whether supplied by the Employee or otherwise, or in the event of error in determination of such benefits, the Trust shall be entitled to recover all sums paid to the Employee or other claimant which are in excess of sums properly due.

Upon receipt by the Plan Administration Office of the Employee's written application, the Employee shall receive a written explanation of the terms and conditions of the various forms of payment for which he is eligible. The written explanation shall also describe the terms and conditions of the 50% Survivor Option; the right to make, and the effect of an election to waive the 50% Survivor Option; the right of the spouse to consent to the waiver; and the Employee's right to revoke an election, and the effect of the revocation. The written explanation shall be provided no less than 30 days and no more than 180 days prior to the Retirement Date, unless, pursuant to this Section, the Employee and the Employee's spouse elect to commence benefits less than 30 days after the written explanation is given or in the case of an Early, Rule of 85 Early, or Disability Retirement, the Employee and the Employee's spouse elect a Retroactive Retirement Date.

- B. Election of Form of Payment. For purposes of electing a form of payment, or revoking an election, each Employee shall have an election period determined as follows.
 - (1) Written Explanation Provided More than 180 Days Before Retirement Date. If the written explanation described in this Section is provided more than 180 days before the Employee's retirement date, the election period is the 180 days immediately preceding the retirement date.
 - (2) Written Explanation Provided 30 to 180 Days Before Retirement Date. If the written explanation is provided 30 to 180 days before the Employee's retirement date, the election period commences on the date the written explanation was given and ends on the retirement date.
 - (3) Written Explanation Provided Less Than 30 Days Before Retirement Date. If the written explanation is provided less than 30 days before the Retirement Date, but not later than such date, the Employee may consider the election for at least 30 days after receiving the written explanation. In the alternative, the Employee, with applicable spousal consent, may make an election of the form of payment in less than 30 days, but:

- (a) the first retirement payment will not be issued before the expiration of the seven-day period commencing the day after the written explanation was given; and
 - (b) the election period will end on the later of the Employee's retirement date, the expiration of the seven-day period commencing the day after the written explanation was given, or the date the first retirement income payment is negotiated.
- (4) Written Explanation Provided After Retirement Date. If the written explanation is provided after an Employee's Retirement Date, an Employee who is eligible may elect:
- (a) a Retroactive Retirement Date, provided the Employee, with spousal consent, affirmatively elects the retroactive Retirement Date, and further provided that the election period described in this Article shall be determined from the date of the actual commencement of benefits, rather than from the Retirement Date; or
 - (b) in the case of Early, Special Early, or Rule of 85 Early Retirement, a new Retirement Date that is after the date the written explanation is provided; or
 - (c) in the case of Normal Retirement, and in lieu of (a), a commencement date that is after the date the written explanation is provided, and a benefit which is the Actuarial Equivalent of the accrued benefit as of the date the Employee was otherwise eligible to commence Normal Retirement, subject to Article 6.4, Suspension of Pension Payments.

- C. Change in Election. Neither the form of payment under Sections 601 and 603 nor the type of retirement selected under Sections 503 through 506 may be changed after expiration of the election period; provided however, an Employee who has applied for a disability retirement from Social Security but has not received it, can elect instead to receive early retirement income, if eligible for the benefit under this Plan, and if eligibility for disability retirement is established under this Plan within twelve (12) calendar months of the Employee's early retirement date, the Trustees may allow a change to disability retirement, with an adjustment in the monthly benefit, retroactive to the later of the disability effective date or the disability application date.

In the event a married Employee at retirement fails properly to select another form of payment, he and his spouse shall receive the 50% Survivor Option under Section 603. But if an unmarried Employee at retirement fails to select another form of payment he shall receive the Life Annuity Option under Section 603A.

If one of the forms of Survivor Option under Section 603B is payable, but the spouse or other contingent annuitant dies before the Employee retires, the life annuity under Section 603A will become payable as if a survivor option had not been specified.

In addition, if an Employee's election results in the Employee exceeding the IRC 415 limits, and the information upon which the IRC 415 determination is based was not available during the 180-day election period, the administrator is authorized to allow the Employee to change the Employee's election of a Life Annuity Option to some form of Survivor Option, or from one form of Survivor Option to another, effective on the Employee's retirement date or if later, at the commencement of the first calendar year in which the Employee will exceed the IRC 415 limit.

- D. Waiver of Spouse's Rights. Election of a form of payment, other than the Survivor Option under Section 603B, must be consented to by the Employee's spouse during the election period under Section 602B. The consent will designate a beneficiary (or form of payment) which may not be changed without spousal consent, unless the consent permits designation by the Employee without further spousal consent, or unless the change is to a 50% Survivor Option under Section 603B. The spouse's consent will acknowledge the effect of the election and be witnessed by a Plan representative or a notary public. Notwithstanding his consent requirement, if the Employee establishes to the satisfaction of the Trustees that such written consent cannot be obtained because there is no spouse or the spouse cannot be located, or for any other reason provided by the Secretary of the Treasury or his delegate, such election can be made without the consent of any person.

Section 603. Retirement Income Payments

An Employee eligible for retirement income shall select one of the following forms of payment:

- A. Life Annuity Option. The usual form for retirement benefit payments is a monthly life annuity commencing on the first day of the month following the date the Employee makes application and meets the requirements for retirement.

If the Employee dies before such annuity payments equal the sum of all contributions made for him, the difference shall be paid to his beneficiary or next of kin under Section 508. Otherwise, such payments shall cease with the payment for the month in which his death occurs.

If the Employee elects an optional form of benefit, any payment after his death will be determined by the terms of that option.

- B. Survivor Options. Under this form of payment the Employee receives a monthly retirement income which is actuarially reduced to reflect continuing payments to his spouse or other contingent annuitant after his death. Such payments may be either 100%, 66 $\frac{2}{3}$ %, or 50% of the Employee's appropriately reduced monthly retirement income. The actuarial value of these options shall be equivalent to the normal form of retirement benefit stated in paragraph A above. Except as provided below, after payments to the Employee have commenced, the election to receive a Survivor Option may not be revoked nor another spouse or contingent annuitant substituted. Notwithstanding the foregoing, if the spouse or other contingent annuitant dies before the Employee, upon application by the Employee the monthly retirement income thereafter may be increased to the Life Annuity Option rate. If the Employee designated his spouse (or the person who subsequently becomes his spouse) as contingent annuitant, and the Employee is subsequently divorced, the monthly retirement income thereafter may be increased to the Life Annuity Option rate if the Employee's spouse provides a formal written waiver of rights to any present or future benefit payments under the terms of a Qualified Domestic Relations Order (QDRO). The QDRO must be in a written form suitable to the Board of Trustees, who shall have sole discretion in determining the acceptability of any language or terms therein.
- C. Social Security Adjustment Option. Under this form of benefit, the Employee receives a higher retirement income rate prior to and a reduced rate after commencement of his social security payments so that insofar as practical a combined level income from the Plan and his predicted social security Primary Old Age Benefit will result. This Option may be combined with one of the Survivor Options under Section 603B. This form of payment is not available for disability retirements under Plan Section 404.
- D. Minimum Payment Rate. If the present value of the accrued benefits under the Plan is less than \$5,000 for an Employee or beneficiary, the same must be paid in a lump sum.

Section 604. Reemployment After Retirement--Suspension of Benefits

- A. If a retired Employee becomes Reemployed, he shall report his Reemployment to the Plan Administration Office. If a retired Employee returns to work and fails to notify the Plan Administration Office, the Trustees will presume the retired Employee is working 40 hours or more per month if there is evidence the Employee is Reemployed. After he has worked 501 hours in a Plan Year, a retired Employee shall not be entitled to retirement payments for the remainder of the Plan Year in any month in which he is Reemployed 40 hours or more and such payments shall be forfeited. "Reemployment" shall mean work for a participating or formerly participating or reciprocal Plan employer in:
- (1) The geographic area covered by the Plan;
 - (2) An industry in which Employees are employed and earning Credited Future Service under the Plan; and
 - (3) A trade or craft in which the Employee was employed at any time under the Plan.
- B. Retirement payments shall remain suspended until the earlier of the first month of the next Plan Year, or the Employee notifies the Plan Administration Office in writing that he has ceased to be Reemployed, provided that an Employee's retirement payments shall not be suspended during any period of Reemployment after a Retired Employee attains age 65.

- C. Retirement payments shall resume thereafter and continue unless and until payments are subject to suspension as provided above. Subject to the provisions for offset of overpayments, below, the first payment shall include retirement payments for those months in which the retired Employee was Reemployed for less than 40 hours per month. In the event a retired Employee receives and retains payments during any month in which such payments were subject to forfeiture, the retired Employee shall forfeit all payments otherwise due during the first three (3) months following cessation of Reemployment, until the full amount of the overpayment is recovered. If the full amount has not been recovered from the first three (3) payments otherwise due, subsequent payments to the retired Employee or his beneficiary shall be reduced by an amount not to exceed 25% of the amount otherwise payable until recovery of the overpayment. Offsets will be limited to overpayments due to Reemployment.
- D. If a retired Employee earns Covered Hours of Employment in a Plan Year, he shall receive increased Credited Service for such employment.
- E. If an Employee having elected early retirement is Reemployed, there shall be a one-time actuarial adjustment to his retirement income as of the month payments resume, on the basis of the early retirement reduction factor(s) applicable to the Employee's adjusted age. The adjusted age shall be the Employee's original retirement age increased by the number of months in which he was Reemployed for 40 hours or more. The reduction factor(s) will be based upon those in effect when the Employee's retirement income originally began.

Section 605. Duplication of Pension

A retired Employee shall not be entitled to payment under this Plan of more than one type of retirement income payment at any one time, nor shall one type of pension under Sections 503 through 506 of the Pension Plan be superseded by another except as authorized under Section 602.B hereof, or where an Employee who is retired on disability recovers and subsequently reretires on his normal or early retirement date.

Section 606. Commencement of Benefits and Retroactive Payments

- A. Commencement. Retirement income or other payments will commence on the first day of any month following receipt of written application and suitable election of a form of benefit payment.

In the event that an Employee is eligible for a normal retirement income but does not file a written application in accordance with Section 602, upon proper application he shall be entitled to such payment as of the later of:
 - (1) The first day of the month following the date the Employee's written application is received by the Plan Administration Office and the written explanation is provided;
 - (2) The first day of the month following the month in which he became eligible for Normal retirement; or
 - (3) The month he attains age 65; or
 - (4) May 1, 1976.
- B. Retroactive Retirement Date. An Employee who elects a retroactive Retirement Date shall receive a make-up payment reflecting missed payments between the Employee's Retirement Date and the date of the actual commencement of benefits, plus interest at 4% per annum. Future monthly benefits will be in the amount that monthly payments would be if benefits had actually commenced on the Retroactive Retirement Date. This provision is subject to Section 604, Reemployment after Retirement.
- C. Spouse. Before an Employee's retirement date, the term "spouse" means the legal spouse of the Employee at the time of the determination. On or after the Employee's retirement date, the term "spouse" means the legal spouse of the Employee on his retirement date, provided that if the Employee elects a retroactive retirement date, the spouse is determined as of the date benefits actually commence. A legal spouse means only a legal union between one man and one woman, as husband and wife.

D. Minimum Distribution Requirements.

Section 1. General Rules.

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

- 1.2 Precedence. The requirements of this article will take precedence over any inconsistent provisions of the Plan.
- 1.3 Requirements of Treasury Regulations Incorporated. All distributions required under this article will be determined and made in accordance with the Treasury regulations under section 401(a)(9) of the Internal Revenue Code.
- 1.4 TEFRA Section 242(b)(2) Elections. Notwithstanding the other provisions of this article, distributions may be made under a designation made before January 1, 1984, in accordance with section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the Plan that relate to section 242(b)(2) of TEFRA.

Section 2. Time and Manner of Distribution.

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

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

- a. The calendar year in which the Employee attains age 70½; or
- b. The calendar year in which the Employee retires.

Attainment of age 70½ shall have the meaning set forth in Treasury Regulation 1.401(a)(9)-2 (Q&A-3). Minimum distributions shall be made in accordance with this Article VI, Section 606(B) of the Plan and Treasury Regulations under Section 401(a)(9) of the Internal Revenue Code.

An Employee who is a "5% owner," as determined under Section 416 of the Internal Revenue Code, or "terminated vested" Employee under Article VII, Section 704 of the Plan, may not postpone his required beginning date beyond April 1 of the calendar year following which he attains age 70½, even if the Employee continues employment.

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

- a. If the Employee's surviving spouse is the Employee's sole designated beneficiary, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Employee died, or by December 31 of the calendar year in which the Employee would have attained age 70½, if later.
- b. If there is no surviving spouse but the Employee has designated an eligible beneficiary, distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Employee died.
- c. If there is no surviving spouse and no designated beneficiary, distributions shall be made to the person entitled to the benefit provided for in section 508(B) of the Plan as of September 30 of the year following the year of the Employee's death. The Employee's entire interest will be distributed by December 31 of the calendar year of the fifth anniversary of the Employee's death.
- d. If the Employee's surviving spouse is the Employee's sole designated beneficiary and the surviving spouse dies after the Employee but before distributions to the surviving spouse begin, this section 606(B)(2.2), other than section 606(B)(2.2)(a), will apply as if the surviving spouse were the Employee.

For purposes of this section 606(B)(2.2) and 606(B)(5), distributions are considered to begin on the Employee's required beginning date (or, if section 606(B)(2.2)(d) applies, the date distributions are required to begin to the surviving spouse under section 606(B)(2.2)(a)). If annuity payments irrevocably commence to the Employee before the Employee's required beginning date (or to the Employee's surviving spouse before the date distributions are required to begin to the surviving spouse under section 606(B)(2.2)(a)), the date distributions are considered to begin is the date distributions actually commence.

2.3 Form of Distribution. Distributions will be made in accordance with sections 606(B)(3), (B)(4) and (B)(5) of this article.

Section 3. Determination of Amount to be Distributed Each Year.

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

- a. the annuity distributions will be paid in periodic payments made at intervals not longer than one year;
- b. the distribution period will be over a life (or lives) or over a period certain not longer than the period described in section 606(B)(2.2)(a) or (B)(2.2)(b)
- c. once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter than the maximum permitted;
- d. payments will either be non-increasing or increase only as follows:
 - (1) by an annual percentage increase that does not exceed the annual increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics;
 - (2) to the extent of the reduction in the amount of the Employee's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in section 4 dies or is no longer the Employee's beneficiary pursuant to a qualified domestic relations order within the meaning of section 414(p);
 - (3) to pay increased benefits that result from a plan amendment.

3.2 Amount Required to be Distributed by Required Beginning Date. The amount that must be distributed on or before the Employee's required beginning date (or if the Employee dies before distribution begins), the date distributions are required to begin under section 606(B)(2.2)(a) or (2.2)(b) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the Employee's benefit accruals of the last day of the first distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Employee's required beginning date.

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

Section 4. Requirements for Annuity Distributions That Commence During Employee's Lifetime.

4.1 Joint Life Annuities Where the Beneficiary Is Not the Employee's Spouse. If the Employee's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Employee and a non-spouse beneficiary, annuity payments to be made on or after the Employee's required beginning date to the designated beneficiary after the Employee's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Employee using the table set forth in Q&A-2 of section 1.401(c)(9)-6T of the Treasury regulations. If the form of distribution combines a joint and survivor annuity for the joint lives of the Employee and a non-spouse beneficiary and a period certain annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the designated beneficiary after the expiration of the period certain.

4.2 Period Certain Annuities. Unless the Employee's spouse is the sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the Employee's lifetime may not exceed the applicable distribution period for the Employee under the Uniform Lifetime Table set forth in section 1.401(d)(9)-9 of the Treasury regulations for the calendar year that contains the annuity starting date. If the annuity starting date precedes the year in which the Employee reaches age 70, the applicable distribution period for the

Employee is the distribution period for age 70 under the Uniform Lifetime Table set forth in section 1.401(a)(9)-9 of the Treasury regulations plus the excess of 70 over the age of the Employee as of the Employee's birthday in the year that contains the annuity starting date. If the Employee's spouse is the Employee's sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Employee's applicable distribution period, as determined under this section 4.2 or the joint life and last survivor expectancy of the Employee and the Employee's spouse as determined under the Joint and Last Survivor Table set forth in section 1.401(e)(9)-9 of the Treasury regulations, using the Employee's and spouse's attained ages as of the Employee's and spouse's birthdays in the calendar year that contains the annuity starting date.

Section 5. Requirements for Minimum Distributions Where Employee Dies Before Date Distributions Begin.

- 5.1 Employee Survived by Designated Beneficiary. If the Employee dies before the date distribution of his or her interest begins and there is a designated beneficiary, the Employee's entire interest will be distributed, beginning not later than the time described in section 606(B)(2.2)(f) or (B)(2.2)(g), over the life of the designated beneficiary or over a period certain not exceeding:
- a. unless the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year immediately following the calendar year of the Employee's death; or
 - b. if the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year that contains the annuity starting date.
- 5.2 No Designated Beneficiary. If the Employee dies before the date distributions begin and there is no designated beneficiary as of September 30 of the year following the year of the Employee's death, distribution of the Employee's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Employee's death.
- 5.3 Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the Employee dies before the date distribution begins, the Employee's surviving spouse is the Employee's sole designated beneficiary, and the surviving spouse dies before distributions to the surviving spouse begin, this section 606(B)(5.3) will apply as if the surviving spouse were the Employee, except that the time by which distributions must be made will be determined without regard to section B(2.2)(a).

Section 6. Definitions.

- 6.1 Designated beneficiary. The individual who is designated as the beneficiary under section 602 of the Plan and is the designated beneficiary under section 401(b)(9) of the Internal Revenue Code and section 1.401(a)(9)-1, Q&A 4, of the Treasury Regulations.
- 6.2 Distribution calendar year. A calendar year for which a minimum distribution is required. For distributions beginning before the Employee's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Employee's required beginning date. For distributions beginning after the Employee's death, the first distribution calendar year is the calendar year in which distributions are required to begin pursuant to section 606(B)(2.2).
- 6.3 Life expectancy. Life expectancy as computed by use of the Single Life Table in section 1.401(c)(9)-9 of the Treasury Regulations.
- 6.4 Required beginning date. The date specified in section 606(B)(2.1) of the Plan.

Section 607. Qualified Domestic Relations Order

Benefits under this Plan may not be assigned, transferred, alienated or anticipated, as is more fully stated in the Agreement and Declaration of Trust. However, any benefit otherwise payable under the Plan shall be subject to a Qualified Domestic Relations Order in accordance with all requirements of Section 206(d)(3) of the Employee Retirement Income Security Act of 1974 and Internal Revenue Code Section 414(p), including any amendments thereof and applicable regulations. Accordingly, to be qualified such an order shall not require the Plan to

provide any type or form of benefit, or any option, not otherwise provided under the Plan, and shall not require the Plan to provide increased benefits determined on the basis of actuarial value and shall otherwise comply with all requirements cited above. The Plan Administrator shall evaluate domestic relations order when received and within 30 days notify the Employee and any alternate payee named in the Order of the receipt of such Order and whether the Order is deemed to be qualified. Any alternate payee may designate a representative for receipt of copies of notices sent to the alternate payee. During any period in which the qualified status of a Domestic Relations Order is being determined sums otherwise payable to an alternate payee shall be withheld for up to 18 months, until payment can be made in accordance with a final Qualified Order. If not so resolved, payment of the reserved sums shall be made as if there were no such Order. If qualified thereafter, a Domestic Relations Order shall be given effect prospectively only.

ARTICLE VII BREAK IN SERVICE AND VESTING

Section 701. Break in Service

In order to accumulate Credited Service toward retirement benefits, Employees must meet the minimum service requirements of the Plan. Failure to do so will result in a Break in Service.

A Break in Service will occur at the end of any Plan Year in which an Employee is not credited with more than 500 Covered Hours of Employment or other service pursuant to Section 201, 203 and 204.

Section 702. Forfeiture of Prior Credited Service

All prior Credited Past and Future Service of a non-Vested Employee shall be canceled if he incurs a number of consecutive Breaks in Service which equals or exceeds the greater of (a) five or (b) the sum of his previously uncanceled Credited Future Service and Contiguous Non-Covered Service.

Section 703. Reinstatement of Prior Credited Service

After a non-Vested Employee incurs a Break in Service, but prior to cancellation under Section 702, his prior Credited Service shall be disregarded, unless and until the Employee is credited with more than 500 hours of Contiguous Noncovered Service or Credited Future Service in a subsequent Plan Year, in which event his Credited Service shall be reinstated.

In no event shall such prior Credited Service be reinstated after it is canceled in accordance with Section 702.

Section 704. Vested Interest

- A. After an Employee has accumulated a total of 5 years of Credited Service, his Credited Service shall Vest and he will be entitled to receive his accrued retirement benefit at his normal, early or late retirement date, regardless of any subsequent Break in Service. Entitlement to normal retirement income shall Vest for any other Employee who meets the normal retirement requirements of Section 401.
- B. An Employee who is subject to a Break in Service between May 1, 1987 and May 1, 1991 and has less than ten (10) years of Credited Service shall be partially Vested and shall be entitled to partial benefits under Plan Sections 407 and 509 according to the following schedule:

<u>Credited Future Service</u>	<u>Vested Percentage of Accrued Retirement Income</u>
Less than five (5) years	0
Five (5) years	50%
Six (6) years	60%
Seven (7) years	70%
Eight (8) years	80%
Nine (9) years	90%
Ten (10) years	100%

- C. Benefits for an Employee who is subject to a Break in Service prior to May 1, 1987 remain Vested according to the Plan provisions in effect at the time of the Employee's Break in Service.
- D. The Vesting computation period shall be the Plan Year.
- E. If an Employee earns less than 501 Covered Hours of Employment, but the sum of his Covered Hours of Employment and Contiguous Noncovered Service for that Plan Year equals or exceeds 1,000 hours, he shall be credited with one year of Contiguous Non-Covered Service for Vesting Purposes.
- F. If an Employee whose benefits are Vested meets the requirements of Section 404 for disability retirement, disability income will be payable according to Section 506.
- G. If an Employee whose benefits are Vested dies before he retires, a death benefit will be payable according to Section 405 or 406.

ARTICLE VIII CLAIMS, APPEALS AND ARBITRATION PROCEDURES

Section 801. Application

Whenever an Employee or beneficiary seeks benefits under the Plan, he should contact the Administration Office of the Trust. He will be supplied with forms for insertion of the information needed for processing of his application and such assistance as he may desire in filling them out. All records of the Trust bearing upon his application will be available to him. Incident to this application, the steps in Section 602 will be followed to enable him to make the choices necessary to select the form of payment of such benefit as is due him. While other persons may offer assistance with the cooperation of the Administration Office, the Trust is not responsible for acts or omissions by any person other than the Trustees and their expressly authorized agents.

Section 802. Denial of Claim.

- A. Timing of Benefit Denial (Other Than Claim for Disability Retirement Benefits). Any person whose application for benefits (other than Disability Retirement Benefits) under the Plan has been denied in whole or in part, or whose claim to benefits against the Fund is otherwise denied, will be notified in writing of the denial within 90 days after the Plan's receipt of the application or claim. An extension of time, not to exceed an additional 90 days, may be required by special circumstances. If so, notice of the extension, indicating the special circumstances and the date by which a final decision is expected to be rendered, will be furnished the applicant before the expiration of the initial 90 day period.
- B. Timing of Benefit Denial for Disability Retirement Benefits. Any person whose application for Disability Retirement Benefits is denied in whole or in part will be notified in writing of the denial within a reasonable period of time, but not later than 45 days after receipt of the claim. This period may be extended for up to 30 days (to a total of 75 days) if the Plan determines that an extension of time for making the determination is necessary due to matters beyond the control of the Plan, and notifies the applicant prior to the expiration of the initial 45-day period of the circumstances requiring the extension of time and the date by which the Plan expects to render a decision.

If the Plan determines that an additional extension of time for making the benefit determination is necessary due to matters beyond the control of the Plan, and notifies the applicant prior to the expiration of the first 30-day extension period of the circumstances requiring the extension of time and the date by which the Plan expects to render a decision, then the period for making a benefit determination may be extended by the Plan for an additional 30 days (to a total of 105 days).

If an extension of time is due to the applicant's failure to submit the information necessary to decide a claim for Disability Retirement Benefits, the applicant will be afforded at least 45 days within which to provide the specified information. The period for making the benefit determination will be tolled from the date on which the notification of the extension is sent to the applicant until the date on which the applicant responds to the request for additional information.

If an extension is necessary to consider a claim for Disability Retirement Benefits, the notification of the extension will specifically provide:

- (1) an explanation of the standards on which entitlement to a benefit is based;

- (2) the unresolved issues that prevent a decision on the claim; and
 - (3) the additional information needed to resolve the issues.
- C. Notice of Denial. The notice of denial will set forth the following in a manner calculated to be understood by the applicant:
- (1) the specific reason or reasons for the denial;
 - (2) specific reference to pertinent Plan provisions on which the denial is based;
 - (3) a description of any additional material or information necessary for the applicant to perfect the claim and an explanation of why the material or information is necessary;
 - (4) an explanation of the Plan's claim review procedure, and the time limits applicable to such procedures, including in the case of Disability Retirement Benefits a statement of the applicant's right to bring a civil action under ERISA § 502(a); and
 - (5) in the case of a claim for Disability Retirement Benefits, if an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol, or other similar criterion, or a statement that such a rule, guideline, protocol, or other similar criterion was relied upon in making the determination and that a copy of the same will be provided free of charge to the applicant upon request.

Section 803. Notice of Appeal to Trustees

The applicant may appeal to the Board of Trustees for a review of the denial. The notice of appeal must:

- A. be in writing;
- B. state in clear and concise terms the reason or reasons for disputing the denial;
- C. be accompanied by any pertinent documentary material not already furnished to the Plan; and
- D. in the case of a denial of Disability Retirement Benefits, be filed by the applicant or his duly authorized representative with the Administrator of the Trust within 180 days after receipt of notice of a denial of Disability Retirement Benefits, and in the case of all other adverse determinations, within 60 days after receipt of notice of the determination.

The failure to file a notice of appeal within the time period prescribed constitutes a waiver of the applicant's right to review of the denial, provided that in the case of the 60-day period, the Board may relieve the applicant of the waiver for good cause if the applicant applies for relief within 120 days after the date shown on the notice of denial.

Section 804. Scheduling of Appeal

The appeal will be conducted on written submission by the Board of Trustees, or by the Appeals Committee of the Board of Trustees, which has been allocated the authority for making a final decision in connection with the appeal.

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

Section 805. Appeal Procedures

The applicant is entitled to present his position and any evidence in support thereof in writing to the Appeals Committee. He (she) is not entitled to present the appeal in person. The applicant may be represented by an attorney or by any other representative of his choosing at his own expense. The applicant may submit written comments, documents, records, and other information relating to the claim. The applicant will be provided upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to his claim for benefits.

The Trustees will review all comments, documents, records and other information submitted by the applicant related to the claim, regardless of whether such information was submitted or considered in the initial benefit determination. The Trustees will not afford deference to the initial adverse benefit determination.

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

Section 806. Decision of Trustees

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

- A. the specific reasons for the decision, written in a manner calculated to be understood by the applicant;
- B. specific references to pertinent Plan provisions on which the decision is based;
- C. a statement that the applicant is entitled to receive, upon request and free of charge, reasonable access to, and copies of all documents, records, and other information relevant to the applicant's claim for benefits;
- D. in the case of a claim for Disability Retirement, a statement of the applicant's right to bring a civil action under ERISA § 502(a); and
- E. in the case of a claim for Disability Retirement, if an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol, or other similar criterion, or a statement that such a rule, guideline, protocol, or other similar criterion was relied upon in making the determination and that a copy of the same will be provided free of charge to the applicant upon request.

Section 807. Arbitration

- A. Claim for Disability Retirement Benefits. Following issuance of the written decision of the Trustees on an appeal of a claim for Disability Retirement Benefits, there is no further right of appeal to the Trustees or right to arbitration. Instead, the applicant may bring a civil action under ERISA § 502(a).
- B. Claim Other than for Disability Retirement Benefits. If the applicant is dissatisfied with the written decision of the Trustees, other than a decision on a claim for Disability Retirement Benefits, the applicant may request a further appeal by arbitration in accordance with the Employee Benefit Plan Claims Arbitration Rules of the American Arbitration Association. However, the request must be submitted in writing to the Trustees within 60 days of receipt of the Trustees' written decision. If the applicant requests it, the plan administrator will help the applicant prepare the request for arbitration. The arbitrator's review is an appellate-type review, which will be limited to the evidence in the record. The question for consideration by the arbitrator will be whether, in the particular instance:
 - (1) the Trustees were in error upon an issue of law;
 - (2) the Trustees acted arbitrarily or capriciously in the exercise of their discretion; or
 - (3) the Trustees' findings of fact were supported by substantial evidence.

The expenses of arbitration will be borne equally by the appealing party, and by the Trust Fund unless otherwise ordered by the arbitrator. Each party is responsible for its own attorney fees. The decision of the arbitrator is final and binding on all parties, and judgment upon the award may be entered in any Court having jurisdiction thereof.

Section 808. Exhaustion of Remedies

An applicant must exhaust his remedies under the foregoing procedures as a condition precedent to the commencement of any suit.

ARTICLE IX RECIPROCITY

Section 901. Related Plans

The Trustees have entered agreements with Trustees of other qualified pension plans for the purpose of preserving an Employee's Credited Service and benefits accrued under this Plan when he changes from employment covered by this Plan to employment covered by what is deemed to be a Related Plan. The Related Plans with which the Trustees have entered agreements are the Automotive Industries Pension Trust Fund, the IAM National Pension Fund, the IAM Grand Lodge Pension Fund and the Western Metals Industry Pension Fund. In accordance with those agreements, no more than one (1) year of combined credited service shall be given for all employment in any Plan Year. Service under a Related Plan shall be credited in accordance with the standards of the Related Plan. Service (including the number of hours needed to satisfy a year or fractional year of service) shall be credited in accordance with the standards of the Related Plan. The years of service required for Vesting shall be determined by the provisions of this Plan; provided, however, in the case of the Automotive Industries Pension Trust Fund and the IAM Grand Lodge Pension Fund, eligibility for a pro rata pension from this Plan requires an Employee to have accumulated at least two (2) years of Credited Future Service in this Plan. In the case of the IAM National Pension Fund, eligibility for a pro rata pension from this Plan requires an Employee have accumulated one (1) year of Credited Future Service in this Plan and one (1) year of Credited Future Service in either Plan A or C of the IAM Fund after April 1, 1980. As to the Western Metals Industry Pension Fund, a pro rata pension may be awarded if the Employee has accumulated at least one quarter (1/4) of a year of service in this Plan. The Trustees may enter into additional agreements with other qualified pension plans to preserve service credit an Employee has accrued under other plans prior to employment covered by this Plan.

Section 902. Reciprocal Credits

Service credit determined under a Related Plan will be combined with Credited Service under this Plan for purposes of meeting the requirements for Vesting and benefits under this Plan. Benefits payable under this Plan will be based on Employer contributions to this Plan for that Employee and shall be subject to proration pursuant to Plan Section 509B if reliance on Related Plan service credit is necessary to meet the eligibility and Vesting requirements of this Plan. Service credits under the Related Plan shall be determined under that Plan; provided, however, service credits under the Related Plan and this Plan shall not be combined so as to allow duplicate credits for a single time span.

The terms and conditions of the Reciprocity Agreement with the Related Plan are incorporated herein by reference; provided, in the event of inconsistency between such an Agreement and this Plan, the terms of this Plan shall control regarding eligibility and benefits under this Plan. Agreement and Declaration of Trust Sections 2201, Extension of Plan, and Section 2202, Reciprocity, together with all reciprocity agreements and related regulations of this Plan are incorporated herein by reference.

ARTICLE X ADMINISTRATION

This Plan is administered by the Trustees, half of whom are appointed by Unions hereunder and half of whom are appointed by Employers. The benefits are and shall be based on what can be provided for the Employees from the contributions received. Necessarily, the benefits cannot exceed the ability of the Trust to pay. Contributions to the Plan and earnings from their investment are received and held in trust by the Trustees in accordance with ERISA and the Trust Agreement; and all payments from Trust assets are made by or at the direction of the Trustees and for the sole and exclusive benefit of the Employees and necessary expenses of administering the Plan and Trust. To the extent required by Section 401(a)(8) of the U.S. Internal Revenue Code and applicable regulations, Section 704 shall not be applied to increase the benefits any remaining Employee would otherwise receive under the Plan. Detailed provisions for administration of the Plan and business affairs of the Trust are set forth in the Trust Agreement of which this Plan is a part. The Trustees may establish rules and regulations consistent with the provisions of the Plan and shall have the exclusive right to construe the Plan and determine any and all questions arising thereunder or in connection with its administration, including, without limitation, the right to remedy all possible ambiguities, inconsistencies, and omissions. Any decision by the Trustees made in good faith shall be conclusive and binding on all persons.

ARTICLE XI RIGHT TO CHANGE OR DISCONTINUE

Section 1101. Amendment and Termination

It is intended that this Plan will continue indefinitely but the Trustees shall have the power to amend or terminate this Plan in accordance with all applicable provisions of the Trust Agreement.

Section 1102. Amendment

Except as permitted by the Internal Revenue Code and by the Employee Retirement Income Security Act, no Plan amendment shall operate to deprive any Employee or beneficiary of a previously Vested right.

If the vesting schedule under the Plan is amended, each Employee whose nonforfeitable percentage of his accrued benefit is determined under the schedule, and who has completed at least three (3) years of Credited Service, may elect, during the election period, to have the nonforfeitable percentage of his accrued benefit determined without regard to such benefit. An election need not be provided to any Employee if the Employee's nonforfeitable percentage under the Plan, as amended, cannot be less than the Employee's nonforfeitable percentage determined without regard to the amendment. The election period shall begin no later than the date the Plan amendment is adopted and end no earlier than the latest of: (a) 60 days after the day the amendment is adopted; (b) 60 days after the day the amendment becomes effective; or (c) 60 days after the day the Employee is issued written notice of the amendment.

Section 1103. Allocation of Assets on Plan Termination or Complete Discontinuance of Contributions

If the Plan is terminated or partially terminated the rights of an Employee to retirement income accrued to the date of termination, to the extent funded, shall be non-forfeitable. The Board of Trustees shall file a notice of termination with the PBGC as required by law.

The Board of Trustees shall allocate the assets of the Trust to the extent of the sufficiency of such assets, for the purpose of providing retirement income accrued to the date of termination of the Plan for Employees and their beneficiaries for and/or to the extent that such retirement income has not already been provided but will be payable in accordance with the provisions of the Plan. The allocation of all such remaining assets with respect to Employees of this Plan shall be in the manner and order described in the following paragraphs:

- A. First, the Trustees will determine and set aside a portion of the assets necessary to provide benefits guaranteed by Title IV of ERISA.
- B. To the extent not provided in paragraph A, the Trustees will determine and set aside from the remaining assets of the Trust the amount sufficient to continue monthly retirement income payments to all retired Employees, Employees eligible to retire and to the surviving spouses of retired Employees if an optional form of benefit is in effect, on or before the date of the Plan's termination. If the Trust assets are insufficient to provide the foregoing, the Trustees will allocate the Trust assets among the retired Employees, Employees eligible to retire and the surviving spouses of retired Employees, if applicable, in the ratio that the actuarial value of the unpaid retirement income of each bears to the total actuarial value of the unpaid retirement income of all such Employees on the Plan's termination date.
- C. If assets remain after provision for the preceding paragraphs, the Trustees next will determine and set aside from the remaining assets to the extent not provided for in paragraph A, the amount necessary to provide Vested benefits to all Employees who have not been covered by paragraphs A and B. If the Trust assets are insufficient fully to provide such benefits, the Trustees will allocate such remaining assets among the Employees with Vested interests in the ratio which the actuarial value of the Vested interest of each bears to the total actuarial value of Vested interests of all such Employees on the Plan's termination date.
- D. If assets remain after provision for all benefits in the manner described above, all remaining Trust assets will be allocated among the remaining Employees in the ratio which the actuarial value of the retirement income of each bears to the total actuarial value of retirement income of all such Employees on the Plan's termination date.

Under certain conditions specified in applicable Federal laws and regulations, the PBGC may institute proceedings to terminate the Plan. In this event, the PBGC will be responsible for determining the degree of insurance coverage, the priority of claims, and the distribution of assets and insurance proceeds to all claimants.

Amounts allocated in accordance with this Section may be applied, in the discretion of the Board of Trustees, to provide retirement income payments through the purchase of paid-up annuities on an individual group basis, or through any other means deemed appropriate by the Trustees.

ARTICLE XII MISCELLANEOUS PROVISIONS

Section 1201. Information to Be Furnished by Employees and Employers

Each Employee, spouse and beneficiary shall furnish any information or proof the Trustees deem necessary or reasonable in order to administer this Plan. Such persons shall cooperate by complying with all other reasonable requirements of the Trustees. Failure to do so will be grounds for delay or forfeiture of an Employee or beneficiary's rights herein if, upon written request, such person(s) persists in failure or refusal to comply. Employers likewise shall furnish all information and proof as required by this Plan and the Trust Agreement.

Section 1202. Contributions

All contributions to this Plan shall be by Employers in accordance with their respective Collective Bargaining Agreements and such other written agreement as there may be between an Employer and the Trustees, or by a Union on behalf of its eligible Employees at an hourly rate applied to a work week of 40 hours unless otherwise agreed between that Union and the Trustees. All contributions to this Plan shall be at rates acceptable to the Trustees.

Section 1203. Availability of Records

All records affecting his or her rights are available to each Employee, spouse or beneficiary on request.

Section 1204. Inalienability

Except as provided in Section 607, no right or interest under this Plan may be assigned, transferred, alienated or anticipated, as more fully stated in the Trust Agreement.

Section 1205. Expenses of Administration

All administration expenses shall be paid from Trust Assets.

Section 1206 Maximum Retirement Benefit

- A. Effective date. This section shall be effective for limitation years ending after December 31, 2001.
- B. Effect on Employees. Benefit increases resulting from the increase in the limitations of section 415(b) of the Code will be provided to all current and former Employees (with benefits limited by Code section 415(b)) who have an accrued benefit under the Plan immediately prior to the effective date (other than an accrued benefit resulting from a benefit increase solely as a result of the increases in limitations under Code section 415(b)).
- C. Definitions.
Defined benefit dollar limitation. The "defined benefit dollar limitation" is \$160,000, as adjusted, effective January 1 of each year, under section 415(d) of the Code in such manner as the Secretary shall prescribe, and payable in the form of a straight life annuity. A limitation as adjusted under section 415(d) will apply to limitation years ending with or within the calendar year for which the adjustment applies.
Maximum permissible benefit: The "maximum permissible benefit" is the defined benefit dollar limitation (adjusted where required, as provided in (1) and, if applicable, in (2) or (3) below).
 - (1) If the Employee has fewer than 10 years of participation in the Plan, the defined benefit dollar limitation shall be multiplied by a fraction, (i) the numerator of which is the number of years (or part thereof) of participation in the Plan and (ii) the denominator of which is 10.
 - (2) If the benefit of an Employee begins prior to age 62, the defined benefit dollar limitation applicable to the Employee at such earlier age is an annual benefit payable in the form of a straight life annuity beginning at the earlier age that is the actuarial equivalent of the defined benefit dollar limitation applicable to the Employee at age 62 (adjusted under (1) above, if required). Actuarial equivalence will be based on the actuarial present values as defined in Plan Section 200.

(3) If the benefit of an Employee begins after the Employee attains age 65, the defined benefit dollar limitation applicable to the Employee at the later age is the annual benefit payable in the form of a straight life annuity beginning at the later age that is actuarially equivalent to the defined benefit dollar limitation applicable to the Employee at age 65 (adjusted under (1) above, if required). Actuarial equivalence will be based on the actuarial present values as defined in Plan Section 200.

- D. Notwithstanding the foregoing provisions of this Section 1206, an Annual Retirement Income payable with respect to an Employee under the Plan shall not be deemed to exceed the limitation of this Section if the Annual Retirement Income payable with respect to such Employee under the Plan does not exceed \$10,000 for the limitation year under consideration, or for any prior limitation year, and the employee has never participated in a defined contributions plan (as defined in Internal revenue Code 415(k)) of his Employer.
- E. "Limitation Year" shall mean the calendar year.
- F. "Compensation" shall mean an Employee's wages within the meaning of Internal Revenue Code (Code) Section 3401(a) and all payments of compensation to an Employee by the Individual Employer (in the course of the Individual Employer's trade or business) for which the Individual Employer is required to furnish the Employee a written statement under Code Sections 6049(d) and 6051(a)(3).

Compensation shall also include elective deferrals under Internal Revenue Code § 401(k), § 402(e)(3), § 402(h), § 457, and § 408(p)(2)(A)(I), and under a savings incentive plan (SIMPLE) or Internal Revenue Code § 125 cafeteria plan, and elective reductions under Internal Revenue Code § 132(f)(4).

Section 1207. Associate Participation

If a Union Employer participates after December 31, 1997 for any eligible non-collectively bargained employee under Section 209B, the following additional provisions shall apply:

- A. "Associate" Defined. An eligible Union Employee under Section 209B who is not under a Collective Bargaining Agreement, shall be an "Associate."
- B. Eligibility. An Employee who was previously covered under a collectively bargained agreement, but who is a Union Employee no longer covered under a Collective Bargaining Agreement, may become a covered Employee, if the Union as Employer executes a written associate agreement with the Trust. Eligibility shall commence with the first hour of service.

Section 1208. Facility of Payment

In the event an Employee is not capable of receiving and receipting any other payment due under the Plan, the Agreement and Declaration of Trust, Sections 2003 and 2004 shall apply. If an Employee or his beneficiary dies without negotiating a check due and issued under this Plan, the same shall be delivered to the personal representative of the decedent's estate. If there is no such duly qualified personal representative, the same shall be returned to the Administrative Office for re-issuance to the decedent's surviving spouse, or if there is no surviving spouse, to such person as the Trustees shall determine to be the decedent's heir or heirs at law.

Section 1209. Merger or Consolidation

In the event this Plan merges or consolidates with or transfers its assets or liabilities to any other qualified plan of deferred compensation, each Employee's accrued retirement income on the day following such event (determined as if this Plan had then terminated) shall not be less than the accrued retirement income to which he would be entitled on the day preceding such event determined as if this Plan had then terminated.

Section 1210. Employer-Employee Relationship Not Affected.

This Plan is not intended to affect in any way the employer-employee relationship between any Employee and Employer hereunder. Such relationship shall continue under any Collective Bargaining Agreement or other agreement between those parties which may be in effort from time to time.

Section 1211. Eligible Rollover Distributions.

- A. Direct Rollover. Effective for distributions payable on and after January 1, 1993, an Employee entitled to a distribution or surviving spouse entitled to a distribution may elect to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan in a Direct Rollover. Notwithstanding the foregoing, distributions less than \$200 per Plan Year are not eligible for Direct Rollover.

- B. Eligible Rollover Distribution. An Eligible Rollover Distribution is any distribution of all or any portion of the balance to the credit of the Employee or surviving spouse, provided that an Eligible Rollover Distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Employee and the Employee's designated beneficiary, or for a specified period of ten years or more; any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the surviving spouse, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Internal Revenue Code §401(a)(9); and the portion of any distribution that is not includible in gross income.
- C. Eligible Retirement Plan. In the case of distributions made to an Employee, an Eligible Retirement Plan is an individual retirement account described in Internal Revenue Code §408(a), an individual retirement annuity described in Internal Revenue Code §408(b), an annuity plan described in Internal Revenue Code §403(a), or a qualified trust described in Internal Revenue Code §401(a), that accepts the Eligible Rollover Distribution. In the case of distributions made to a surviving spouse, an Eligible Retirement Plan is an individual retirement account or individual retirement annuity.
- D. Direct Rollover. A Direct Rollover is a payment by the Plan to the Eligible Retirement Plan specified by the Employee or surviving spouse.
- E. Limit on Distributions. An Employee or surviving spouse may split a distribution by receiving a portion as a Direct Rollover and receiving direct payment of the balance, provided that if the amount to be distributed as a Direct Rollover is less than \$500, then the entire distribution shall be paid directly to the Employee or surviving spouse. Only one Direct Rollover shall be allowed with respect to each distribution.
- F. Acceptance of Rollover Distributions. The Plan shall not accept rollover distributions.

Section 1212. Slayer Not to Benefit From Death.

No slayer of an Employee or beneficiary shall in any way acquire any property or receive any benefit from this Plan as a result of a conviction for wrongfully killing an Employee or beneficiary who is receiving or is eligible for receipt of benefits under this Plan. The slayer shall be deemed to have predeceased the decedent as to the property which would have passed from the decedent or his estate to the slayer, and the benefits shall be paid either to the contingent beneficiary named by the decedent, or in the absence of the selection of a contingent beneficiary, to the children, if any, of the decedent or to the beneficiary entitled to the proceeds, either under the Last Will of the decedent or the laws of descent and distribution in the state of domicile of the decedent.

Section 1213. No Reversion to Employers or Union

In no event shall any part of the Plan funds revert to any employer or to the Union or be used for or diverted to any purpose other than for the exclusive purpose of providing benefits to employees and beneficiaries and for the payment of reasonable expenses of administering the Plan or the Trust. However, a contribution made by an employer as a mistake of fact may be refunded by the Trustees within one (1) year after the payment of such erroneous contribution, or such period as may be permitted by law.

Section 1214. Special Provision Regarding Employees of Pacific Marine Maintenance Company

It is recognized that as of the date of the adoption of this provision (February 4, 2008) the status of certain Employees who earned Credited Future Service as employees of Pacific Marine Maintenance Company (PMMC) prior to May 1, 2005 has been rendered uncertain by the pendency of proceedings before the National Labor Relations Board relating to the termination of PMMC's Collective Bargaining Agreement with I.A.M. District Lodge 160 and the relationship between PMMC and a related entity called Pacific Crane Maintenance Company (the NLRB proceedings). Consequently, and notwithstanding any other provision of this Plan, any period between May 1, 2005 and the conclusion of the NLRB proceedings for which a former employee of PMMC has not been credited with Covered Hours of Employment shall be disregarded in determining when Credited Service prior to a Break in Service will be cancelled pursuant to Article VII, Section 702 and in computing the 60-month period referred to in Article IV, subsection 402.B(3); provided, however, that this provision shall only apply to Employees who were employed by PMMC as of May 1, 2005 and shall not apply to any period of time during which an Employee was employed by an employer other than Pacific Crane Maintenance Company.

NOTES

