

**SOUTHERN CALIFORNIA
LUMBER INDUSTRY
RETIREMENT PLAN**

ESTABLISHED JOINTLY
BY
EMPLOYERS AND UNIONS

FOR
ALL EMPLOYEES IN THE
SOUTHERN CALIFORNIA
LUMBER INDUSTRY WHOSE
LOCAL UNIONS AND EMPLOYERS SIGN
COLLECTIVE BARGAINING CONTRACTS
TO PARTICIPATE IN THE FUND

**ADMINISTRATIVE OFFICE
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LUMBER INDUSTRY RETIREMENT FUND**
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SOUTHERN CALIFORNIA LUMBER INDUSTRY RETIREMENT FUND

June 2003

To All Participants:

This is an updated description of the Southern California Lumber Industry Retirement Plan including amendments and revisions through June 30, 2003. The Plan is the result of collective bargaining and is administered jointly by a Board of Trustees composed of Employer representatives and Union representatives. The Plan is available to employees working under collective bargaining agreements, wherein the Labor Organizations and the Employers agree to participate in the Fund. Currently, there are over 100 employers paying contributions to the Plan.

The purpose of this booklet is to explain to you in simple terms the main features of the Plan and to provide you with a copy of the complete text. The text contains the exact provisions of the Plan and shall control in case of any discrepancy.

The Retirement Plan is funded by the Employers in accordance with the terms of the collective bargaining agreements and the Trust Agreement. The employer contributions to the Plan are a result of negotiations between the bargaining parties whereby a portion of labor costs are allocated to the Plan for Retirement or Disability benefits in place of direct wages. There are several reasons why it is wise to take some of your wages in the form of pension contributions. Pension contributions, if taken in wages, would be subject to federal and state taxes. Money contributed on your behalf to the Pension Fund will grow in value by earning interest, dividends, realized gains on investments and forfeitures. Your dollar becomes part of the assets of the Fund and investing larger sums of money can earn larger returns. An industry plan with over 100 employers has certain advantages over a company plan. Company plans often require you to take payroll deductions in order to be in the plan. If a company goes out of business, the retirement plan terminates with the company in most cases. An industry wide plan may permit you to move to another employer and carry your earned credits with you.

Effective in 1976, the Trustees amended the Plan to incorporate the requirements of the Employee Retirement Income Security Act of 1974. Additional amendments have been made, since 1976, to comply with other laws and regulations such as the Retirement Equity Act of 1984 and the Tax Reform Act of 1986.

The Plan has also been amended numerous times to incorporate benefit improvements. Benefit improvements through the years have included, among others, changes in vesting from 20 years down to 5

years; an increase in the disability benefit from a maximum of \$50.00 a month to the Benefit amount at age 65; increases in the past service benefit factor from \$3.33 to \$5.50; periodic increases in the benefits paid to retirees and periodic increases to the benefit accruals of active employees. The most recent periodic benefit increases are recorded in Appendix B on pages 57-61.

This is your Retirement Plan. Become familiar with it. Any questions about the Plan should be directed to your Administrative Office which has been established by the Board of Trustees to serve your needs.

BOARD OF TRUSTEES

W. Scott McConnell, *Chairman, Employer Trustee*
Patrick McGinn, *Secretary, Union Trustee*

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PART I

SUMMARY OF PLAN PROVISIONS CONCERNING PARTICIPATION, ELIGIBILITY AND BENEFITS

This part of the booklet summarizes the main provisions of the Plan which relate to participation, eligibility and benefits. In the right hand column are references to the pages of this booklet where the detailed Plan provisions can be found. Definitions of the terms used in this summary are found on pages 18 to 21.

Detailed Plan Provisions

Participation

Employees working under collective bargaining agreements which require contributions to the Retirement Fund are entitled to Plan participation.

Article II
Sections
2 & 5

Pages 18-19

After January 1, 1976, an employee will become a Plan Participant as soon as he accumulates 1,000 hours of contributory service in a period not exceeding 2 consecutive plan years.

Past Service Credit

If you are employed by an Employer on the date the Employer first commences participation in the Plan, you will receive Past Service Credit for the number of continuous full years you have worked in the Southern California Lumber Industry prior to becoming a participant of the Plan.

Article III
Section 2

Page 21-23

If you are not employed by an Employer on the date the Employer first commences participation in the Plan, you are credited for the number of continuous full years you have worked in the Industry prior to becoming a participant of the Plan, excluding any service for any period after December 31, 1962.

One Past Service Credit will be given for each such year without regard to whether employment was under a collective bargaining agreement.

The maximum Past Service Credit is fourteen (14) years.

If you are absent from employment for a period of more than ninety days but less than three (3) years, the absence will not constitute a break in continuous full years of employment but such periods shall be excluded in the determination of Past Service Credit.

If you were absent from employment due to military service during a period of time when you would have otherwise earned past service credits, you may receive past service credits up to a maximum of four years, provided you return to employment with a participating employer under the Plan within 90 days from the date of military discharge.

Current Service Credit

For the purpose of vesting and meeting the eligibility requirements for benefits, Current Service Credit will be given for 1,000 or more Hours of Contributory Service in a calendar year.

Article IV
Section 2
Pages 23-26

Military Service

If you leave your employment in the Southern California Lumber Industry for military service you will receive Current Service Credit in accordance with the provisions contained in Article IV, Section 2.

Article IV
Section 2
Pages 23-26

Record of Credits

You will be notified each year as to your number of earned credits, vesting credits, the amount of contributions paid on your behalf and the value of your individual account. Consequently, any errors or questions can be cleared up immediately and you will know your status and the amount of contributions at all times.

Eligibility for Retirement Benefits

You may retire and receive benefits if you meet the following requirements:

Article VI
Sections 1
and 2
Pages 29-33

1. You are at least 60 years of age, and
2. You have completed at least five years of Credited Service including at least one year of Current Service Credit, and
3. You have terminated your employment with a participating Employer, and
4. You have submitted an application for retirement benefits.

Also, regardless of the above requirements, you can retire if:

1. You have attained age 65 or over, and
2. You have, at age 65 or over, reached your fifth (5) anniversary of participation in the Retirement Plan (measured from your Plan Date) without a Break In Continuous Service, and
3. You have terminated your employment with a participating Employer on or after reaching age 65, and
4. You have submitted an application for retirement benefits.

Also, see Article IX, page 45 for information on reciprocity.

Eligibility for Disability Benefits

To be eligible for disability retirement benefits you must:

Article VI
Section 3
Pages 33-35

1. Have completed at least five (5) years of Credited Service, including one year of Current Service Credit, and
2. Have submitted an application for disability benefits,
3. Have through unavoidable cause become totally and permanently disabled and the disability has continued for a period of five (5) consecutive months, and have received the approval of the Board of Trustees. This approval will be based on medical evidence establishing your inability to engage in any substantial gainful occupation, employment or activity by reason of a medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months. In no event will disability benefits be retroactively payable in excess of 12 months from the date of application for benefits.

Amount of Monthly Retirement Benefits at Age 65

\$5.50 multiplied by the number of years of Past Service Credit, plus 2.75% times the total contributions paid on your behalf plus a benefit based on the value of your individual account.

Article VI
Section 2
Page 31

These benefit formulas apply to Retirement Dates on or after January 1, 1996. For the formulas for a Retirement Date prior to January 1, 1996, please contact the Administrative Office.

**Amount of Monthly Retirement Benefits
Age 60 through Age 64**

Because a Participant retiring prior to age 65 will, on the average, receive benefits for a longer period of time, benefits paid to such a Participant will be reduced approximately 1/180th for each month (1/15th for each year) he retires prior to age 65.

Article VI
Section 2
Page 32

Amount of Disability Retirement Benefit

Benefits will be computed under the Plan as though the disabled Participant was age 65 (see above).

Article VI
Section 3
Page 33-35

Vesting

Vesting is that point at which you or your beneficiary is guaranteed retirement benefits. Vesting occurs at the time you meet the requirements for a retirement benefit. Vesting also occurs at any age upon accumulation of 10 years of credit for vesting purposes.

Article V
Sections 1
and 2
Page 28-29

For participants who have a minimum of 12 months of contributions after June 1, 1988, vesting occurs upon accumulation of 5 years of credit for vesting purposes.

Pre-Retirement Death Benefit — Lump Sum

If a Participant dies prior to his retirement date, or disability retirement date, and has accrued two or more years of Current Service Credit prior to his death and has not incurred a forfeiture of credited service under Article IV, Section 3 of the Plan or has satisfied the requirements for vesting, a death benefit—consisting of one hundred per cent (100%) of the total contributions made on his behalf plus the value of the individual account will be paid to his beneficiary.

Article VI
Section 4
Page 35-37

This benefit is not payable if the pre-retirement spouse's monthly death benefit described in the next paragraph is payable. In instances where a surviving spouse is eligible for a lump sum death benefit, or for a spouse's benefit, she may choose either benefit.

Pre-Retirement Death Benefit — Spouses Monthly Annuity

If a married Participant who is vested or meets the requirements for an early or normal retirement should die before retirement, his spouse shall be eligible for a monthly benefit payable at the date of the Participant's death or age 60, whichever occurs later, in the same amount she would have received had the Participant retired under the Joint and Survivor benefit the day prior to his death. If the present value of this benefit is \$5,000 or less, the Trustees will make payment in a single lump sum.

Article VI
Section 5
Pages 37-38

Death Benefit After Retirement

There are no benefits payable to any spouse or beneficiary upon the death of a retiree, except if the retiree and spouse are receiving benefits under the Joint and Survivor form.

Article VI
Section 6
Page 38

Joint and Survivor Benefit

Retirement benefits paid to a married Participant will be paid in the form of a Joint and Survivor Annuity unless this form of benefits is specifically rejected, in writing, by the Participant and Spouse. The Joint and Survivor Benefit provides a reduced benefit for the Participant so that if the Participant dies before his Spouse, the Spouse will receive a monthly retirement benefit equal to 75% of the Participants monthly benefit for her remaining lifetime. The monthly benefit to the Participant will be reduced to take into account the Joint and Survivor Annuity feature. The amount of the reduction is based on the ages of the Participant and Spouse as described in Article VI, Section 2.

Article VI
Section 2
Pages 29-33

An unmarried Participant may also elect benefits in the form of a Joint and Survivor Annuity where he chooses a contingent annuitant. Benefits are payable in the form stated above.

Social Security Option

If a Participant retires before age 65 and qualifies for an early retirement benefit, he may elect to receive a Social Security optional form of benefit whereby he will receive an increased monthly benefit until he reaches his 65th birthday where upon the amount of such benefit will decrease or terminate. A spouse must consent to this election in writing.

Article VI
Section 2
Page 33

Circumstances Which May Result in Loss of Benefit Credits

Article IV
Section 3
Pages 26-27

Unless a Participant is vested or meets the requirements for a benefit, the occurrence of a Break in Continuous Service will cause a loss of all credits earned prior to the break. A Participant may incur up to 5 consecutive One-Year Breaks in Continuous Service without forfeiture. If a Participant incurs 5 or more consecutive One-Year Breaks in Service, then at the end of the Plan year when the total number of One Year Breaks in Service equals or exceeds the total number of his prebreak years of Contributory Service, he shall be deemed to have incurred a Break in Continuous Service and all previously accrued Current Service Credit and Past Service Credit (if any) shall be forfeited. A One-Year Break in Service occurs when a non-vested Participant under age 65 fails to earn at least 500 Hours of Service during the Plan year. However, you will not sustain a One-Year Break in Service if:

- a. You earn at least 500 hours of Contributory Service in a Plan year, or
- b. You are employed in the Southern California Lumber Industry in a position not covered by a collective bargaining agreement, or
- c. You are employed in the Southern California Lumber Industry with an employer who has not subscribed to the Fund, provided such employer certifies to such employment, or
- d. You are engaged in military service, or with the consent of your employer engaged in any other service of the United States, or
- e. You are on a temporary layoff or other form of unemployment, on an approved leave of absence or on a disability absence on account of illness or injury as defined by and in accordance with the regulations of the Board of Trustees, or
- f. You are employed in any other industry in the geographical area of the Southern California Lumber Industry but performing work in that industry which is the same as you performed in the Lumber Industry, or

- g. You are absent from employment as a result of a wartime relocation law or regulation, or
- h. You are serving as an elected official of a participating Labor Organization.
- i. You are absent from employment as a result of pregnancy, birth of a child of an employee, placement of a child in connection with the adoption of a child by the employee or caring for a child during the period immediately following the birth or placement for adoption. Such absence shall not be recognized until certification of the absence is obtained from the participating employer by the participant and provided to the Administrative Office and such absence is recognized as required under applicable laws.

Reinstatement of Benefits

If you subsequently return to employment under the Plan and qualify as a new Participant under this Plan and earn at least five (5) consecutive years of Current Service Credit without a Break in Continuous Service, your previously forfeited Credited Service shall be restored.

Article IV
Section 5
Page 28

Circumstances Which May Result in Suspension of Benefits

Once a Plan Participant has retired and is receiving benefits, the following circumstances can cause a loss of such benefits.

Disability benefits paid to a disabled Participant will cease if the Participant recovers from the disability.

Article VI
Section 3
Pages 33-35

Retirement benefits being paid to a retired Participant will cease with the month of death. A Joint and Survivor Benefit will be paid, to the contingent annuitant if any, for the lifetime if the Joint and Survivor Benefit was selected at the time of retirement.

Article VI
Section 2
Page 29-33

Retirement benefits being paid to a retired Participant under age 70 will be temporarily suspended if the retiree returns to a permanent position at his same trade or craft in the Southern California Lumber Industry (i.e., steady employment which requires more than 40 hours of work per month and which, in any calendar year, generates more earnings than is allowed under the provisions of the Plan).

Article VIII
Section 2
Page 43

Article VIII
Sections 3 and 4
Pages 43-44

Retirement or disability benefits will be temporarily or permanently suspended for any erroneous or fraudulent actions or statements made in obtaining benefits.

Article XI
Section 1
Page 48-49

PART II

HOW TO APPLY FOR BENEFITS

How to Apply for Retirement Benefits

A. Obtain an Application for Retirement, Part I, from a Participating Labor Organization or the Administrative Office of the Plan.

B. Your benefit payments cannot be paid to you until your application has been received and processed by the Administrative Office. You should file your application at least forty-five days before your retirement date but in any event no later than age 70½.

Your Retirement Date will be the date when you are eligible for retirement benefits (early or normal) under the Plan.

C. When you return the completed application to the Administrative Office, enclose a copy of your birth certificate or other proof of date of birth. If you are unable to obtain a birth certificate, the following will be acceptable:

Baptismal Certificate

Citizenship or Naturalization Papers

Passports

Discharge papers from United States military service

Records or information obtained from U.S. Census Department.

Insurance policies taken out at least 10 years before your date of retirement

Social Security information

D. If you are married, enclose a copy of your legal marriage certificate.

E. If you are divorced, enclose a copy of the Final Judgment of Dissolution of Marriage, including the division of community property as it pertains to pension benefits. If you have been divorced more than once, enclose the same complete information for each previous divorce.

F. After processing of the Application for Retirement—Part I, the Administrative Office will send you a partially completed Application for Retirement—Part II, showing you the benefits and options available to you. You should select only one type of benefit by checking the appropriate block, sign the application, and return it to the Administrative Office. If you are married, your spouse must also sign the application and both signatures must be witnessed by a notary public. If you choose the Joint and Survivor Annuity form and you are married, you may only

name your spouse as your contingent annuitant. If you are not married and you select the Joint and Survivor Annuity form, you may name any one of your choice as your contingent annuitant, and that annuitant must also sign the application. Be sure to provide proof of date of birth for any contingent annuitant.

Once a selection is made and benefits have begun, you may not change your selection, including your choice of contingent annuitant, for any reason.

How the Spouse or Other Beneficiary of a Deceased Participant Should Apply for Benefits

A. Obtain an "Application for Death Benefits Due" form from the Administrative Office.

B. Return the completed form with a certified copy of the death certificate to the Administrative Office.

C. If the deceased was vested and dies prior to retirement under the Plan, return a proof of birth of the deceased with the death certificate.

D. If the deceased was retired, return any benefit payment received after his death to the Administrative Office.

PART III

SOME QUESTIONS AND ANSWERS

1. If I am unable to obtain information from any of my past employers covering periods of employment to be applied toward my Past Service Credit, where else may I obtain such information?

If you have been unable to obtain information concerning past periods of employment, at the time of your retirement you should contact the Social Security Administration whereby you may secure past employment information, beginning with 1936, from the Social Security records.

2. What happens to my benefits if I should leave the United States?

If you or your beneficiary should desire to leave the United States, you will continue to receive benefits provided under the Plan. Arrangements should be made through the Administrative Office. Benefit checks may be mailed to any address in accordance with U.S. Government regulations. Retirees wishing to have benefit checks held for them by the bank while they are traveling or deposited into a bank account should also contact the Administrative Office.

3. Where do I write to obtain a birth certificate or proof of date of birth?

In the event you are unable to obtain a copy of your birth certificate from the State of your birth or other proof of the date of your birth, you may apply to the Department of Commerce, Bureau of the Census, for a search of Census Records. You may obtain an Application for Search of Census Records, Form BC600, from the Department of Commerce, Bureau of the Census, Washington, D.C. 20233.

4. What is the minimum age at which benefits may be vested under the Plan?

There is no minimum age required for vesting.

5. If, after my retirement, my contingent annuitant should die before me, may I designate a new contingent annuitant?

The Plan rules provide that you may designate only one contingent annuitant and benefits paid to a retiree are based on the fact that there will be only one contingent annuitant. For this reason, you may not designate a new contingent annuitant after you retire even upon divorce.

6. How are benefits computed?

Benefits for normal retirement or disability retirement are computed by multiplying your years of Past Service by \$5.50 plus multiplying your total benefit contributions by 2.75% plus a benefit based on the value of your individual account, if your retirement date is on or after January 1, 1996. For the formulas for a retirement date prior to January 1, 1996, please contact the Administrative Office.

Years of service prior to the date on which a contribution was first made to the Fund are years of Past Service Credit. You may have up to a maximum of 14 years of Past Service Credit. Unless you are included on the first report of a new Employer In the Plan, no Past Service Credit is given for any period after December 31, 1962.

Example (1): JOINT AND SURVIVOR ANNUITY

Suppose you are 45 years of age when you came into the Plan on January 1, 1977, you are entitled to 5 years of Past Service Credit and you continue to work until you are age 65. Assume your contingent annuitant is not over 10 years younger than you. When you retire on January 1, 2001, assume you have had \$30,000 in contributions paid on your behalf and the value of your individual account is \$16,000.

You and your contingent annuitant will be provided with a retirement benefit computed as follows:

Past Service Credit	5 years x \$5.50 factor =	\$ 27.50
Current Credited Service	\$30,000.00 x 2.75% =	825.00
		<u>\$852.50</u>
Monthly benefit to retiree	\$852.50 x 90%	= \$767.25
Contingent annuitant's monthly benefit following your death	\$767.25 x 75%	= \$575.44

In addition, you may elect to receive the value of your Individual Account as a lump sum distribution, or alternatively as an addition to the amount of your monthly benefit.

Individual Account Balance available as a lump sum	= \$16,000.00
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or

Actuarial Equivalent Amount available as an addition to your monthly benefit - \$166.67

Addition to Monthly benefit to retiree	= \$ 150.00
\$166.67 x 90%	

Addition to contingent annuitant's monthly benefit following your death	\$150.00 x 75%	= \$ 112.50
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Example (2): ANNUITY FOR LIFE (no survivor benefit)

With the same assumptions as above, your retirement benefit will be computed as follows:

Past Service Credit	5 years x \$5.50 factor =	\$ 27.50
Current Credited Service	\$30,000.00 x 2.75% =	825.00
		<u>\$852.50</u>
Monthly benefit to retiree		\$852.50

As shown in example (1) your Individual Account Balance may be received as a lump sum or converted to a monthly amount added to your monthly benefit.

Individual Account Balance available as a lump sum	= \$16,000.00
--	---------------

or

Actuarial Equivalent Account available as an addition to your monthly benefit

= \$ 166.67

Because a participant retiring prior to age 65 will, on the average, receive benefits for a longer period of time, benefits paid to such a Participant will be reduced approximately 1/180th for each month (1/15th for each year) he retires prior to age 65.

7. Are my Plan benefits reduced by Social Security benefits?

No, the Plan benefits are payable in addition to any Social Security benefits payable to you.

8. How do I establish Past Service Credit?

If you qualify for Past Service Credit as outlined in Article III, Section 2, page 21, to prove your past service in the Industry you must complete an enrollment card listing the name and address of your employers and the dates you were employed by each employer.

9. Can I withdraw contributions made to the Fund on my behalf?

No, contributions made on your behalf are returned only in the form of retirement, disability or death benefits provided by the Plan where the eligibility rules have been met.

10. Will I receive a periodic report of my credits?

Yes, the Trustees will continue to send the annual "green sheet" report of Credited Service, vesting credit, contributions paid and the value of your individual account.

PART IV
SOUTHERN CALIFORNIA
LUMBER INDUSTRY
RETIREMENT PLAN

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PART V
RETIREMENT PLAN
OF THE
SOUTHERN CALIFORNIA LUMBER
INDUSTRY RETIREMENT FUND

**(as revised and restated December 31, 2001 and Amended
through June 30, 2003)**

PREAMBLE

WHEREAS, various Unions and Employers have previously entered into an Agreement and Declaration of Trust establishing the Southern California Lumber Industry Retirement Fund wherein provisions are made for certain contributions to be made by said Employers to establish a Retirement Plan, the purpose of which is to provide retirement benefits to employees who become eligible for such benefits, or their beneficiaries, and

WHEREAS, other Unions and other Employers have entered or may, from time to time, enter into similar collective bargaining agreements containing similar provisions, and

WHEREAS, a Board of Trustees has been authorized to administer the Fund and establish a Retirement Plan, and

WHEREAS, the original Retirement Plan was made effective May 1, 1957 and has been amended on several occasions, to incorporate provisions of the Employee Retirement Income Security Act of 1974, the Retirement Equity Act of 1984, the Tax Reform Act of 1986 and subsequent laws, and

WHEREAS, since the last published booklet there have been a number of additional amendments which the Board of Trustees has determined should now be incorporated,

NOW THEREFORE, the Board of Trustees adopts and publishes this revised and restated Retirement Plan, effective December 31, 2001 as amended through June 30, 2003.

ARTICLE I

NAME OF PLAN AND EFFECTIVE DATE

This Retirement Plan shall be known as the Southern California Lumber Industry Retirement Plan.

This revised Plan is applicable only to Participants who retire, incur a break in continuous service, or die while an active Participant, on or after December 31, 2001. The benefits of a Participant who retired, incurred a break in continuous service, or died prior to December 31, 2001, shall be determined solely under the Plan provisions which were in effect at the time of his retirement, break in continuous service, or death. Copies of previous Plan provisions are on file at the Administrative Office of the Trust Fund.

ARTICLE II

DEFINITIONS

The definitions set forth in the Trust Agreement shall apply under this Retirement Plan, where applicable, in addition to the definitions set forth herein.

1. The term "Employer" shall mean any sole proprietorship, partnership, association, corporation or joint venture in the Southern California Lumber Industry that is party to a collective bargaining agreement with a Participating Labor Organization which obligates the Employer to make contributions to this Trust Fund.

A Participating Labor Organization, or the Trust Fund, shall also be considered as an "Employer" for the limited purpose of allowing the employees of such entities to participate in this Retirement Plan, as permitted by the Trust Agreement. Contribution rates for employees of such entities shall be no less than the lowest rate and no higher than the highest rate required in collective bargaining agreements.

2. The term "Employee" shall mean any individual employed by an Employer who is covered by a collective bargaining agreement, or contribution agreement, and for whom the Employer is required to make contributions to the Trust Fund.

3. The term "Participating Labor Organization" shall mean a labor organization whose members are employed in the Southern California Lumber Industry and which qualify for participation as provided in the Trust Agreement.

4. The term “Contributory Service” shall mean the hours of employment of an Employee with respect to which an Employer contribution is paid, or required to be paid to the Trust Fund.

The term Contributory Service shall also encompass “Hours of Service” as provided in Government Regulation 29 CFR 2530.200b-2. As specified in subsection (a) of such regulation “Hours of Service” includes each hour during a Plan Year for which an Employee is paid, or entitled to payment, for the performance of duties with the Employer. The term also includes each hour during a Plan Year for which the Employee is paid, or entitled to payments by the Employer and for which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty, leave of absence, or a back pay award or agreement. However, no more than 501 “Hours of Service” shall be credited to an Employee on account of any single continuous period during which the Employee performs no duties whether or not such period occurs in one or more Plan Years. With respect to employees who are entitled to Current Service Credit for military service, as provided in Article IV, Section 2(d), the 501 hour maximum shall not apply.

5. The term “Participant” shall mean an Employee who is entitled to participate in this Plan. An Employee shall become a Participant when he accumulates 1000 hours of Contributory Service in a period not exceeding two (2) consecutive Plan Years. After the requisite hours have been attained, an Employee’s actual date of participation shall be the earlier of: the day he accumulated the 1000 hours or the first day of the month in which the first contribution was paid to the Fund on the Employee’s behalf. Thereafter, a non-vested Participant remains a Participant until he incurs a forfeiture of his Current Service Credits as provided in Article IV, Section 3. A vested Participant remains a Participant indefinitely.

6. The term “Plan Date” shall mean the date when an Employee first has employment with a participating Employer and for which the Employer is required to contribute to the Trust Fund on the Employee’s behalf.

7. The term “Southern California Lumber Industry” shall include any Employer or Labor Organization maintaining and operating a place of business at any location in the Counties of Kern, Imperial, Inyo, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura in the State of California in the lumber, cabinet, fixture, extrusion, woodworking, furniture and related industries. Any labor organization in the Southern California Lumber Industry may bring in employees covered by collective bargaining agreements with other employers not in the Southern California Lumber Industry.

8. The term “Normal Retirement Age” shall mean age 65.
9. The term “Early Retirement Age” shall mean ages 60 to 65.
10. The term “Plan Year” shall mean a calendar year.

11. The term “Past Service Credit” shall mean the completed full years of continuous past service of a Participant in the Southern California Lumber Industry prior to the Participant’s Plan Date (i.e., the date when an Employer first began making contributions to the Trust Fund for the Participant) and for which credit is given under Article III.

12. The term “Current Service Credit” shall mean the completed full (or partial) years of Contributory Service of a Participant in the Southern California Lumber Industry starting from the Participant’s Plan Date (i.e., the date on which an Employer first makes contributions to the Trust Fund for the Participant) and for which credit is given under Article IV.

13. The term “Credited Service” shall mean the total of a Participant’s “Past Service Credit” and “Current Service Credit.”

14. The term “One Year Break in Service” shall mean a Plan Year in which a non-vested Participant under age 65 does not earn at least 500 Hours of Service.

15. The term “Break in Continuous Service” shall mean the end of the Plan Year when the number of a non-vested Participant’s consecutive One-Year Breaks in Service equals or exceeds the aggregate number of his pre-break years of Credited Service, provided, that this formula shall not apply during the first five (5) years of consecutive One-Year Breaks in Service.

16. The term “Year of Service” shall mean any Plan Year in which an Employee has completed at least 1,000 Hours of Service.

17. The term “Actuarially Equivalent” shall mean a benefit which has the same value as of a specified date as the benefit which it replaces based on designated interest and mortality assumptions. For purposes of Article VI, Sections 2, 3, 4 and 5 and Article XI, Section 7 the actuarial equivalent shall be computed in accordance with the factors specified in their respective sections. (See Appendix A on pages 56-57 for Social Security Option factors).

“The Actuarial Equivalent lump sum value of a small benefit referred to in Article XI, Section 7 shall be based on the mortality table prescribed by the Commissioner of the Internal Revenue Service for purposes of Code Section 417(e) (3) (A) (ii) (I) and in effect on the date as of which the present value is being determined and an interest rate that is equal to the annual interest rate on 30-year Treasury securities, as specified by the Commissioner of the Internal Revenue Service for purposes of 417 (e) (3) (A) (ii) (II) for the November immediately

preceding the first day of the Plan Year in which the Participant's benefit commences." Notwithstanding any other Plan provision to the contrary, the mortality table prescribed by the Commissioner of the Internal Revenue Service, effective December 31, 2002, is set forth in IRS Revenue Ruling 2001-62.

18. The term "Retirement Date" shall mean the date when the Participant is eligible for retirement benefits (early or normal) as provided in Article VI, Section 2.

19. The term "Disability Retirement Date" shall mean the date when a disabled Participant is eligible for a disability retirement as provided in Article VI, Section 3.

20. The term "Trustees" shall mean the Board of Trustees of the Southern California Lumber Industry Retirement Fund.

21. The term "Trust Fund" or "Retirement Fund" shall mean the Southern California Lumber Industry Retirement Fund.

22. The term "Trust Agreement" shall mean the Trust Agreement governing the Southern California Lumber Industry Retirement Fund.

23. The term "Annuity Starting Date" shall mean the first day of the first calendar month starting after the Participant has fulfilled all the conditions for entitlement to benefits, including the filing of a retirement application. However, the Annuity Starting Date will not be later than the Participant's required beginning date as defined in Article VI, Section 2c.

ARTICLE III

PAST SERVICE CREDIT

1. Entitlement to Past Service Credit

A Participant shall be entitled to Past Service Credit as allowable under the following provisions.

2. Definition of Past Service Credit

Past Service Credit shall mean the completed full years of continuous past service of a Participant in the Southern California Lumber Industry prior to the Participant's Plan Date (i.e., the date on which an Employer first began making contributions to the Trust Fund for the Participant) but not to exceed a maximum of 14 years and subject to the following conditions:

- (a) Past Service Credit will be extended only for past service prior to December 31, 1962, unless the Participant is employed by an Employer on the date the Employer first commences partici-

pation in the Plan. In this event the December 31, 1962 limitation will not apply.

- (b) The term “past service” means employment with an employer or labor organization in the Southern California Lumber Industry, without regard to whether a collective bargaining agreement may have been applicable. With respect to Participants who are or have been members of Shipwrights, Joiners and Caulkers Union Local 1335 or Spraymen and Hardwood Finishers Union Local 1798, the term “past service” shall also mean employment with employers in their trade in the Los Angeles Harbor area.
- (c) The term “continuous” for purposes of measuring continuous past service means that all prior service must be unbroken. Past Service will be counted prospectively from the earliest date of service and all such service shall count unless the Participant is absent from employment for a period of three (3) or more years. If such an absence occurs, service shall be deemed broken, and the Participant’s prior service shall be forfeited. Service shall not be deemed broken, however, if the Participant was:
 - (1) on temporary lay-off or other unemployment,
 - (2) on approved leave of absence,
 - (3) on disability absence on account of illness or injury, as defined by and in accordance with the regulations of the Board of Trustees,
 - (4) on absence for military service of the United States, or on absence from employment with the consent of his employer to enter any other service of the United States,
 - (5) absent from his employment as a result of a wartime relocation law or regulation,
 - (6) employed in the Southern California Lumber Industry by an Employer in a position not covered by a collective bargaining agreement,
 - (7) serving as an elected official of a Participating Labor Organization,
 - (8) employed in the Southern California Lumber Industry with an employer who has not subscribed to the Plan, provided the employer certifies such employment,
 - (9) employed in another industry in the geographical area which comprises the Southern California Lumber Industry but performing work in that industry which is the same as performed in the Lumber Industry,

- (10) absent from employment as a result of pregnancy, birth of a child of an employee, placement of a child in connection with the adoption of a child by the employee or caring for a child during the period immediately following the birth or placement for adoption. Such absence shall not be recognized until certification of the absence is obtained from the Employer by the Participant and provided to the Administrative Office and such absence is recognized as required under applicable laws.

All such periods of absence, although not constituting a break in continuous past service, shall, however, be excluded in the determination of Past Service Credit.

- (d) The term “full years” for purposes of measuring completed full years of continuous past service means consecutive periods of twelve (12) months, excluding absences of 90 days or less.
- (e) No Past Service Credit will be given for any period of Contributory Service (i.e., Past Service and Current Service Credit may not be duplicated).
- (f) If you were absent from employment due to military service during a period of time when you would have otherwise earned Past Service Credits, you may receive past service credits up to a maximum of four years, provided you return to employment with a participating Employer under the Plan within 90 days from the date of military discharge.

ARTICLE IV

CURRENT SERVICE CREDIT

1. Entitlement to Current Service Credit

A Participant shall be eligible for Current Service Credit as allowable under the following provisions.

2. Definition of Current Service Credit

Current Service Credit shall mean the completed full (or partial) years of Contributory Service of a Participant in the Southern California Lumber Industry starting from the Participant’s Plan Date (i.e., the date on which an Employer first makes contributions to the Trust Fund for the Participant).

There is no maximum applicable to the number of years of Current Service Credit which a Participant can accrue.

- (a) Prior to January 1, 1976, one year of Current Service Credit shall be provided to each Participant for each Plan year in which Employer contributions have been received for the Participant for 80 or more hours in each month of such Plan year. Where an Employer contributes for a Participant for less than 80 hours in any month of any Plan year, Current Service Credit for that Plan year shall be prorated with the Participant receiving 1/12 of a year of credit for each month in which Employer contributions have been received for 80 or more hours. Additionally, Employer contributions for less than 80 hours per month shall be accumulated during a given Plan year and the Participant shall receive Current Service Credit at the rate of 1/12 of a year for each accumulation of 80 hours.

Whenever reference is made in the above paragraph to Employer contributions of 80 or more hours per month, such reference shall be adjusted to whatever hours are required in the applicable collective bargaining agreement.

- (b) Effective January 1, 1976, one year of Current Service Credit shall be provided to each Participant for each Plan year in which the Participant has accrued 1,000 or more hours of Contributory Service.
- (c) Either formula stated in (a) and (b) above may be applied to the computation of Current Service Credit for service prior to or after January 1, 1976, if such application results in the Participant receiving greater Current Service Credit, on a Plan Year basis. However, the computation of Current Service Credit shall not permit duplication of such service, nor shall a Participant be awarded more than one year of Current Service Credit in any one calendar year.
- (d) Current Service Credit shall be given for time spent in the military service in accordance with the applicable governmental laws and regulations and as follows:
 - (a) A Participant must leave the employment of an Employer in this Plan and enter military service in the Uniformed Services as defined in subsections (e) and (f) below. In most circumstances, a Participant must give advance written or verbal notice to the Employer before he leaves.
 - (b) Subject to certain exceptions, a Participant must submit an application for reemployment or report to work with an Employer under the Plan within a specified time after completion of a period of military service in order for a Participant to receive Current Service Credit under subsection (d) below. The specified time period differs depending upon the actual period of military service. The

time period limitations may be obtained from the Administrative Office or an Employer.

Generally, the cumulative length of a Participant's absence (and all previous absences) from a position of employment with an Employer under the Plan due to military service and for which Current Service Credit can be given is five years. An Employer who hires a returning Participant must notify the Plan within 30 days of the Participant's reemployment.

- (c) No One-Year Break in Service under Article II, Section 14, or Break in Continuous Service under Article II, Section 15, will occur during a period of military service nor will the Participant incur a forfeiture with respect to benefits already accrued under Article IV, Section 3. As a result, a Participant upon return from a period of military service need not acquire Participant status under Article II, Section 5, of the Plan again.
- (d) Current Service Credit during the period of military service will be calculated based upon the contributions made by the Participant's Employer to the Plan for the period of military service. These contributions will be due and owing to the Plan by the Participant's last Employer (before the period of military service) when the Participant is reemployed. The rate of contribution will be the rate the Employer actually paid in accordance with the applicable collective bargaining agreement during the period of military service on behalf of its other employees. No earnings are due from the Employer (or the Fund, if the Employer is no longer functional — see below) for any made up contributions.

If the last Employer is no longer functional, the Plan will be responsible for crediting the proper contributions. For each month of military service a Participant will be credited up to a maximum of 160 hours of Contributory Service. One Current Service Credit will be given for each Plan Year in which a Participant accrues 1,000 hours or more of Contributory Service. Participants will receive fractional credit proportional to the number of hours credited if they accrue less than 1,000 hours in a Plan Year. Generally, the amount of hours credited to the Participant for each full year of military service (or fraction thereof) will be the amount of hours actually credited for the same period in the year immediately prior to the military service. Allocations to the Individual Account will also be made.

- (e) Military service is defined as the performance of duty in the Uniformed Services, on a voluntary or involuntary basis, under competent authority, and includes active duty, active duty for training, initial active duty for training, inactive duty training, full time National Guard duty, and any period for which a Participant is absent from a position of employment for the purpose of an examination to determine the fitness of the Participant to perform any such duty.
- (f) Uniformed Services is defined as the Armed Forces, the Army and Air National Guard, the commissioned corps of the Public Health Services and any other category of persons designated by the President of the United States in time of war or emergency.

3. Forfeiture of Credited Service

A Participant who is vested (see Article V) shall be entitled to all Credited Service which he has accrued regardless of any breaks of such service which may occur after vesting has been achieved. The Credited Service of a vested Participant is not subject to a Break in Continuous Service or forfeiture.

A non-vested Participant shall be considered to have sustained a One Year Break in Service if he has failed to earn at least 500 hours of Contributory Service in a Plan year. A Participant may incur up to five consecutive One-Year Breaks in Service without forfeiture. However, if a Participant incurs five or more consecutive One-Year Breaks in Service then such Participant's Credited Service is subject to forfeiture according to the rule of parity. Under the rule of parity, if a Participant's total number of consecutive One-Year Breaks in Service equals or exceeds the total number of his pre-break years of Credited Service, he shall be deemed to have incurred a Break in Continuous Service and his previously accrued Current Service Credit and Past Service Credit (if any) shall be forfeited.

A Participant shall not incur a One-Year Break in Service if the Participant was:

- (1) on temporary lay-off or other unemployment,
- (2) on approved leave of absence,
- (3) on disability absence on account of illness or injury as defined by and in accordance with the regulations of the Board of Trustees,
- (4) on absence for military service of the United States, or on absence from employment with the consent of his Employer to enter any other service of the United States,

- (5) absent from his employment as a result of a wartime relocation law or regulation,
- (6) employed in the Southern California Lumber Industry in a position not covered by a collective bargaining agreement,
- (7) serving as an elected official of a Participating Labor Organization,
- (8) employed in the Southern California Lumber Industry with an employer who has not subscribed to the Plan, provided the employer certifies to such employment,
- (9) employed in another industry in the geographical area which comprises the Southern California Lumber Industry but performing work in that industry which is the same as performed in the Lumber Industry.
- (10) absent from employment as a result of pregnancy, birth of a child of an employee, placement of a child in connection with the adoption of a child by the employee or caring for a child during the period immediately following the birth or placement for adoption. Such absence shall not be recognized until certification of the absence is obtained from the participating employer by the participant and provided to the Administrative Office and such absence is recognized as required under applicable laws.

All such periods of absence, although not constituting a "Break in Continuous Service", shall, however, be excluded in the determination of Current Service Credit unless Section 2(d) above or Section 4 below applies.

4. Special Rule for Participant Promoted or Transferred to a Position Not Covered by a Collective Bargaining Agreement

If a Participant is promoted or transferred by his Employer to a position not covered by a collective bargaining agreement his employment in such position will be included in the computation of his Current Service Credit if:

- (1) the promoted or transferred Participant has completed at least one (1) year of Current Service Credit with the Employer in a position covered by a collective bargaining agreement,
- (2) the Employer continues to make contributions on Participant's behalf to the Trust Fund without interruption, and
- (3) the Employer agrees to continue to make contributions for all other Participants who may be so promoted or transferred.

If contributions are not made during the period the Participant is employed in a position not covered by a collective bargaining agreement, his employment in such position will not be included in his Current Service Credit. However, each consecutive year in which the Participant completes 1,000 hours or more of such service, shall count toward vesting under this Plan as provided in Article V.

5. Restoration of Forfeited Credited Service

If a Participant who has suffered a forfeiture of Credited Service subsequently returns to employment under the Retirement Plan and qualifies as a new Participant he shall be entitled to begin a new accrual of Current Service Credit. Thereafter, if the Participant earns at least five (5) consecutive years of Current Service Credit without a Break in Continuous Service, the previously forfeited Credited Service shall be restored.

ARTICLE V

VESTING

1. Significance of Vesting

A Participant who becomes “vested” will not, thereafter, sustain a Break in Continuous Service or forfeiture with respect to any Current Service Credit or Past Service Credit which he has accrued. A vested Participant may leave employment under the Plan prior to reaching retirement age and when he subsequently reaches retirement age, or becomes disabled, he may apply for retirement benefits, or disability benefits, based upon his previously accrued Credited Service.

2. Entitlement to Vesting

A Participant shall become vested at the time he satisfies one of the following conditions:

- (a) He has accumulated 10 years of unbroken Credited Service, including at least one year of Current Service Credit or
- (b) He has accumulated 5 years of unbroken Credited Service and twelve months of contributions after June 1, 1988, or
- (c) He has accumulated 5 years of unbroken Credited Service which includes at least one Hour of Service earned on or after January 1, 1999.
- (d) He has met the age and service requirements for a retirement benefit (see Article VI, Section 2) but has not yet submitted an application for a retirement benefit.

The vesting rules in effect at the end of the Plan Year that a Participant would otherwise incur a Break in Continuous Service shall be used to determine entitlement to vesting.

3. Active and Inactive Vested Participants

A vested Participant who continues to accrue Contributory Service under the Plan, pending his future retirement, shall be deemed an active vested Participant.

A vested Participant who, in a period of five consecutive Plan years has earned no Contributory Service, shall, as of December 31st of the fifth such year, be deemed an inactive vested Participant. Inactive vested Participants who subsequently apply for retirement benefits, or disability benefits, shall be entitled only to the benefit factors in effect on the date when they retire (see Article VI, Section 2(g)).

ARTICLE VI

ELIGIBILITY AND BENEFITS

1. Application for Benefits

No benefits payable under the terms of this Plan shall begin until the Applicant has submitted an appropriate application form, as authorized by the Board of Trustees. All application forms for the selection of retirement benefits must be signed by the Participant and spouse or other contingent annuitant, if any, before a notary public.

Once a Participant has retired under the Plan and selected the form and amount of benefit he wishes to receive and commences receiving benefits, he may not later change his choice and transfer to a different form of benefit.

The Board of Trustees has entered into various Reciprocal Agreements with other retirement plans in the Lumber Industry as explained in Article IX. Copies of these Reciprocal Agreements are on file at the Administrative Office.

2. Eligibility Rules, Amount and Form of Retirement Benefit

(a) Eligibility Rule

Each Participant who:

- (1) has attained age 60 or over, and
- (2) has earned at least five (5) years of credited service including at least one year of Current Service Credit, and
- (3) has terminated his employment with a participating Employer, and
- (4) has submitted an application for retirement benefits,

may, at his option, retire under the Plan and receive retirement benefits as of the first day of any calendar month coincident

with or next following his fulfillment of such requirements. Benefits will not be payable prior to a Participant's Retirement Date. Additional provisions apply to Participants who have delayed their Retirement Date beyond age 65. These are contained in Article XI, Section 16.

Benefits shall continue on a monthly basis through the month in which the Participant dies. The Joint and Survivor option benefits shall continue through the month in which the contingent annuitant dies.

(b) Alternate Eligibility Rule

Additionally, each Participant who:

- (1) has attained age 65 or over, and
- (2) has at age 65 or over, reached his fifth (5th) anniversary of participation in the Retirement Plan (measured from his Plan Date) without a Break in Continuous Service, and
- (3) has terminated his employment with a participating Employer, and
- (4) has submitted an application for retirement benefits,

may, at his option, elect to receive a retirement benefit under the Plan beginning the first day of any calendar month coincident with or next following his fulfillment of such requirements. Benefits will not be payable prior to a Participant's Retirement Date. Additional provisions apply to Participants who have delayed their Retirement Date beyond age 65. These are contained in Article XI, Section 16.

Benefits shall continue on a monthly basis through the month in which the Participant dies. A Joint and Survivor Benefit will be paid to the contingent annuitant, if any, for the lifetime of the survivor if the Joint and Survivor Benefit was selected at the time of retirement.

(c) Retirement Benefit Selection

Federal law requires that retirement benefits for a married Participant be paid in the form of a Joint and Survivor Annuity with the Spouse as the designated beneficiary unless the Participant elects to waive the Joint and Survivor Annuity and the Spouse consents to the election in writing. If a Single Life Annuity or the Social Security Option is selected, no benefits are payable to the Spouse after the Participant's death. The Spouse's consent must be witnessed by a notary public and must acknowledge the effect of the election.

There are certain time periods in which a Participant may elect, reject and revoke benefit options. When you apply for Retirement

ment benefits, Federal regulations require that the Plan provide you with a detailed explanation of the amounts payable under the Joint and Survivor Annuity, the Single Life Annuity and the Social Security Option, and a notice explaining the time periods to elect, reject and revoke benefit options. The notice must be provided no less than thirty (30) days and no more than ninety (90) days before the benefit commencement date so that the Participant and Spouse can make a considered and timely decision whether to waive the Joint and Survivor Annuity.

The Plan may begin the distribution of benefits the day after the expiration of a seven day period following the notification as long as the Participant has made an affirmative election of benefits, with the Spouse's consent. You may elect to wait the full thirty (30) days by notifying the Administrative Office, in writing, when you return your completed application.

(d) Commencement of Benefits

If a Participant has filed an application for benefits and his application has been approved by the Board of Trustees, payment of retirement benefits shall commence no later than the 60th day after the later of the close of the Plan Year in which:

- (1) the Participant attains Normal Retirement Age, or
- (2) the Participant reaches the 5th anniversary of his participation in the Plan, or
- (3) the Participant terminates his employment with a participating Employer and retires.

In any event, a Participant who has obtained 70½ must file an application within 60 days of reaching such age and benefits will commence no later than April 1 of the calendar year following the calendar year in which he obtains age 70½.

(e) Amount of Normal Retirement Benefit

Upon retirement at age 65 or over, an eligible Participant shall be entitled to receive a monthly retirement benefit which shall be the sum of the following:

(1) For Past Service Credit:

A monthly benefit equal to the Participant's total years of Past Service Credit multiplied by a past service benefit factor of \$5.50.

(2) For Current Service Credit:

A monthly benefit equal to the Participant's total amount of benefit contributions paid by an Employer on behalf of the Participant multiplied by 2.75%.

An eligible Participant who continues to work in the Industry after age 65 and retires after reaching Normal Retirement Age, may have an additional actuarial adjustment to his benefit based on his age. This adjustment is further explained under Article XI, Section 16.

(f) Amount of Early Retirement Benefit

Participants who elect retirement prior to age 65 will have their monthly benefit calculated as above and the sum resulting from the calculations shall then be reduced by 1/180th for each month (1/15th for each year) the Participant's retirement precedes the month when he would be age 65. This is in recognition of the fact that early retirees, on the average, receive benefits for a longer period of time than do Participants who retire at age 65.

(g) Amount of Retirement Benefit for Inactive Vested Participants

An inactive vested Participant as defined in Article V, Section 3 shall be entitled only to the benefit factors in effect on his retirement date. The Administrative Office maintains a record of the specific benefit factors previously in effect.

(h) Forms of Retirement Benefit

Upon retirement, an eligible Participant shall be entitled to the following forms of retirement benefits:

(1) Joint and Survivor Annuity

- (a) If a Participant is married, a Joint and Survivor Annuity with the Participant receiving a reduction in the monthly benefits payable during his lifetime and the spouse receiving a monthly benefit of 75% of his reduced benefit, for the spouse's lifetime, if the spouse shall survive the Participant. The reduction in benefits for the Participant shall be 10% provided the spouse is not more than 10 years younger than the Participant. If the spouse is more than 10 years younger than the Participant, the reduction shall be increased by 1/2 of 1% for each year over 10 years difference in age.
- (b) If a Participant is not married, he may elect in writing to receive a reduction in the monthly benefit payable during his lifetime with a monthly benefit equal to 75% of his reduced benefit to be payable to a designated contingent annuitant for such annuitant's lifetime, if the annuitant shall survive the Participant. If the designated contingent annuitant is more than 10 years younger, the reduction shall be increased by 1/2 of 1% for each full year over 10 years difference in age.

- (c) If the Retired Participant's spouse (or contingent annuitant) should die before the Participant, the Participant's monthly benefit shall, effective the first of the month following the date of death, revert to the amount that would have been payable had the Participant and spouse (or contingent annuitant) originally selected a monthly benefit for life computed in accordance with Article VI, Section 2 (h) (2) (a) and (b).

(2) Single Life Annuity

- (a) If a Participant is married, he and his spouse may elect in writing to receive payment of full monthly benefits during the Participant's lifetime with no payment of benefits to his spouse on his death. If you are married, your spouse must consent to this election in writing.
- (b) If a Participant is unmarried on his retirement date, a monthly retirement benefit payable to the Participant for life commencing as of his retirement date and continuing through the month in which he dies.

(3) Social Security Option

If a Participant retires before age 65 and qualifies for an early retirement benefit as provided for in this Article, he may elect to receive a Social Security optional form of benefit whereby he will receive an increased monthly benefit until he reaches his 65th birthday whereupon the amount of such monthly benefit will decrease. If you are married, your spouse must consent to this election in writing.

The amount of the increased monthly benefit from the date of election to age 65 and the amount of the decreased monthly benefit after attaining age 65 will be the actuarial equivalent of the retirement benefits to which the Participant would otherwise be entitled as determined in accordance with actuarial tables devised by the Trust Fund actuary. (See Appendix A on pages 56-57). If a Participant elects to take this Social Security Option, the Joint and Survivor and Single Life Annuity forms described in (1) and (2) above shall not be available to him.

3. Eligibility Rule, Amount and Form of Disability Retirement Benefit

(a) Eligibility Rule

Each Participant prior to retirement, who, regardless of age:

- (1) has completed at least 5 years of Credited Service, including one year of Current Service Credit, if the Participant's

total and permanent disability commences on or after January 1, 1998,

or

has completed at least 10 years of Credited Service, including one year of Current Service Credit, and

- (2) has become totally and permanently disabled (as defined in Section (b) below) and the disability has continued for a period of five consecutive months, and
- (3) has submitted an application for disability benefits, may, at his option, elect to receive a disability retirement benefit under the Plan beginning the first day of any calendar month coincident with or next following his fulfillment of such requirements. Benefits will not be payable prior to a Participant's disability retirement date except that in the case of a Participant whose disability precedes the submittal of his application, benefits will be payable retroactively to the date the disability is recognized (i.e., 5 consecutive months after the disability has begun) but not to exceed a total of twelve monthly payments from the date of application.

Disability Retirement benefits shall continue on a monthly basis through the month in which the Participant dies or recovers from the disability, whichever occurs first. If a Participant is receiving disability benefits in the form of a Joint and Survivor Annuity and dies while disabled, survivor benefits shall be continued to the spouse (or contingent annuitant) if then surviving, through the month in which the spouse (or contingent annuitant) dies. If a spouse (or contingent annuitant) should die before the Participant, the Participant's monthly benefit shall, effective the first of the month following the death, revert to the amount that would have been payable had the Participant and spouse (or contingent annuitant) originally selected a monthly benefit for life computed in accordance with Article VI, Section 2 (h) (2) (a) and (b). If you are married and do not elect the Joint and Survivor Annuity, your spouse must consent to your election in writing.

(b) Proof of Total and Permanent Disability

A Participant shall be deemed to be totally and permanently disabled if found to be disabled by the Social Security Administration under Section 223(d) of the Federal Social Security Act. Total and Permanent disability under the Social Security Act means an inability to engage in any substantial gainful activity because of any medically

determinable physical or mental impairment that can be expected to result in death or that can be expected to last for a continuous period of not less than 12 months. The disability must have continued for a period of five consecutive months.

(c) Amount of Disability Retirement Benefit

Upon a disability retirement, an eligible Participant shall be entitled to a monthly disability retirement benefit calculated as if he were then age 65. There shall be no discount based upon the Participant's earlier age.

The amount of the disability retirement benefit shall be determined in accordance with the provisions for a retirement benefit set out in Article VI, Section 2(e).

(d) Form of Disability Retirement Benefit

Upon a disability retirement, an eligible Participant shall be entitled to a monthly disability benefit commencing on the date the Participant becomes eligible for such benefit under Article VI, Section 3(a). Subsequent monthly disability benefit payments will continue until the Participant reaches age 65 but shall cease if he recovers from the disability before age 65. When a disabled Participant reaches age 65, his monthly disability benefit payments will be automatically converted to normal retirement benefit payments.

Recovery from a disability before age 65 shall be determined by the Social Security Administration under Section 223(f) of the Federal Social Security Act. A Participant is obligated to notify the Administrative Office of the Fund within 30 days of receipt of a notice by the Social Security Administration that a Participant's Social Security disability benefits are terminated due to a recovery from a disability.

4. Eligibility Rule, Amount and Form of Pre-Retirement Death Benefit — Lump Sum

(a) Eligibility Rule

The beneficiary of a Participant who dies prior to his retirement date, or disability retirement date, shall be entitled to the pre-retirement lump sum death benefit if the Participant:

- (1) has accrued 2 or more years of Current Service Credit prior to the date of death, and
- (2) the Participant has not incurred a forfeiture of Credited Service under Article IV, Section 3 of the Plan.

The above requirements will be waived if the deceased was a vested Participant.

The Participant's beneficiary shall be determined in accordance with Section 4(e) below.

(b) Amount of Pre-Retirement Death Benefit — Lump Sum

Upon the pre-retirement death of an eligible Participant, his beneficiary shall receive a lump sum death benefit consisting of one hundred per cent (100%) of the total contributions made by Employers on the Participant's behalf.

This benefit is not payable if the spouse's monthly annuity benefit set out in Section 5 of this Article is also payable. In instances where a surviving spouse is eligible for the pre-retirement death lump sum benefit, or for the pre-retirement death spouse's monthly annuity benefit, she may choose either benefit.

(c) Form of Pre-Retirement Death Benefit — Lump Sum

The form of the pre-retirement lump sum death benefit shall be a one time lump sum payment to the beneficiary.

(d) Eligible Rollover Plan Distribution if Spouse is Beneficiary

A death benefit payable under this Article VI, Section 4, is an eligible rollover plan distribution if it is paid to a surviving spouse (or surviving former spouse pursuant to a Qualified Domestic Relations Order) unless the amount payable is less than \$200. The effect this designation will have on a spousal death benefit payout is further explained in Article XI, Section 13.

(e) Designation of a Beneficiary

A Participant may designate a beneficiary or may change a designated beneficiary by filing a beneficiary designation card that is received by the Administrative Office. If the Participant has a spouse, the spouse must be the designated beneficiary.

If no beneficiary has been designated by the Participant or if the designated beneficiary does not survive the Participant, the death benefit described in Article VI Section 4 shall be paid to the surviving person or persons listed below as successive preference beneficiaries:

- (1) spouse
- (2) children, including legally adopted children
- (3) parents
- (4) brothers and sisters
- (5) executor or administrator of the deceased Participant's estate

In determining the appropriate beneficiary, the Board of Trustees may rely upon an affidavit by any class member of preference beneficiaries. Any payment of benefits based upon such affidavit, shall fully release the Board of Trustees from claims based on any legal theory whatsoever by any other members of any class. However, if the Administrative Office has received a valid claim by another person, no benefits will be paid until there is a resolution as to entitlement. If two or more persons become entitled to the benefits, they will share equally.

Any death benefit payable to a minor may be paid to the legally appointed guardian of the minor, but if there is no such guardian, the Board of Trustees shall determine who will receive payment of the benefits on behalf of the minor. Such a determination and payout shall release the Board of Trustees from claims by anyone based on any legal theory whatsoever.

5. Eligibility Rule, Amount and Form of Pre-Retirement Death Benefit — Spouse’s Monthly Annuity

(a) Eligibility Rule

If a married Participant who is vested or who meets the requirements for early or normal retirement but has not retired should die, his spouse shall be eligible for a pre-retirement death spouse’s monthly annuity benefit.

(b) Amount of Pre-Retirement Death Benefit — Spouse’s Monthly Annuity

Upon the death of a Participant who is vested or who meets the requirements for early or normal retirement but has not retired, and who leaves a surviving spouse, the following benefits will be paid:

A monthly benefit to the spouse in the same amount she would have received had the Participant retired under the Joint and Survivor Benefit the day prior to his death.

(c) Form of Pre-Retirement Death Benefit — Spouse’s Monthly Annuity

The form of the pre-retirement spouse’s monthly annuity benefit shall be:

A monthly Joint and Survivor benefit to the surviving spouse commencing as of the first of the month following the date of the Participant’s death or age sixty (60) whichever comes later and continuing for her lifetime. In no event may the spouse defer payment of this benefit beyond Participant’s age 70½.

If the present value of this benefit is \$5,000 or less, the Trustees will make payment in a single lump sum. If the present value of this benefit exceeds \$5,000, the surviving spouse will have the option of electing the lump sum payment.

If the benefit is paid as a lump sum payment, it is an eligible rollover plan distribution unless the amount payable is less than \$200. The effect this designation will have on this benefit payout is further explained in Article XI, Section 13.

6. Death Benefit After Retirement

There are no death benefits payable if the Participant dies after his retirement payments commence except if the Participant is receiving the Joint and Survivor benefit as set out in Article VI, Section 2 (h) (1) or if a Participant is entitled to the post-retirement death benefit set out in the next paragraph.

Upon the death of a Retired Participant, a lump sum death benefit of \$3,125 will be paid to the deceased Participant's spouse. If there is no spouse, the benefit will be paid to the Participant's designated beneficiary. If no beneficiary has been designated by the Participant or if the spouse or designated beneficiary does not survive the Participant, this death benefit shall be paid in accordance with the preference beneficiary list under Article VI, Section 4 (e). A Retired Participant for purposes of this paragraph is one who has made written application to the Plan and dies on or after his annuity starting/retirement date.

A Participant's beneficiary who is entitled to this benefit shall not also be entitled to a pre-retirement death benefit under Article VI, Sections 4 or 5. Similarly, a Participant's beneficiary who is entitled to a pre-retirement death benefit under either Article VI, Sections 4 or 5 is not entitled to this post-retirement benefit.

A death benefit payable under this Article VI, Section 6 is an eligible rollover plan distribution if it is paid to a surviving spouse. The effect this designation will have on post-retirement death benefits payable is further explained in Article XI, Section 13.

7. Election, Rejection or Revocation

Any written election, rejection or revocation (including any change of a previous choice) required by law or governmental regulation to be made under Article VI shall not take effect unless (a) the spouse of the Participant consents in writing to such election, (b) such election designates a beneficiary (or a form of benefit) which may not be changed without spousal consent, and (c) the spouse's consent acknowledges the effect of such election and is witnessed by a notary public. Notwithstanding the preceding sentence, no spousal consent shall be required

if it is established to the satisfaction of the Trustees that spousal consent may not be obtained because there is no spouse, because the spouse cannot be located, or because of such other circumstances as the Internal Revenue Service may by regulations prescribe.

ARTICLE VII

INDIVIDUAL ACCOUNT BENEFIT

1. Description of Benefit

In addition to the normal retirement benefit, early retirement benefit and disability retirement benefit which are described in Article VI, a Participant may be eligible for an Individual Account Benefit as described in this Article. This benefit was effective June 1, 1987. For this purpose, an Individual Account will be established for each Participant. However, no account will be established for Participants who were retired or were deceased before June 1, 1988.

The Account of each Participant will initially be established and thereafter be increased in the amount of the credited percentage of the employer contributions received on behalf of the Participant. Effective June 1, 1987, the credited percentage shall be 20%. However, the Trustees may at the beginning of any subsequent Plan year withdraw or change the credited percentage, by Plan Amendment, if considerations relevant to the maintenance of the benefits described in Article VI indicate such action. Any Trustee decision to withdraw or change the credited percentage will be announced to Participants before the start of the Plan year.

2. Individual Account Valuation

The valuation of each individual account will be determined on each Valuation Date (March 31, June 30, September 30 and December 31) with the first valuation date to be June 30, 1989 as follows:

- (a) The amount in the Participants Individual Account on the last Valuation Date, plus
- (b) The credited percentage of contributions received on the Participants behalf since the last Valuation Date, if any, plus
- (c) Interest on the Account Balance to be credited quarterly, on each Valuation Date as determined in accordance with the second paragraph of Article II, Section 17.

The Account Balance in each Individual Account shall be payable if an eligible Participant (a) retires under the Plan or (b) dies before retirement as provided herein. Account Balance shall mean the total sum in his account as of the last Valuation Date immediately preced-

ing his retirement date or death plus the amount of the credited percentage times the employer contributions made with respect to service from such Valuation Date. Payment shall be made in a lump sum or in monthly installments, as provided herein.

3. Eligibility Rule, Amount and Form of Benefit Upon Retirement

(a) Eligibility Rule

Each Participant who meets the eligibility requirements for a normal retirement benefit, an early retirement benefit or a disability benefit as set out in Article VI shall be eligible for an Individual Account Benefit.

(b) Amount of Individual Account Benefit

Upon retirement, an eligible Participant shall be entitled to a distribution consisting of his Account Balance.

If employer contributions are received on behalf of a Participant after distribution of the account has been made or commenced, the credited percentage of such contributions shall be distributed to the Participant as soon as practicable.

(c) Form of Benefit

Upon retirement, a Participant may elect to receive payment of his Account Balance in a lump sum distribution. Such election must be in writing and must meet the requirements of Article XI, Section 7.

If the Participant does not elect to receive payment of his Account Balance in a lump sum, his Account Balance will be converted on an Actuarially Equivalent basis to provide payments in the same form as his retirement benefits determined under Article VI, Section 2. For this purpose, Actuarial Equivalent shall be determined by first converting the Participant's Account Balance to a single life pension on a basis consistent with that used for valuing small benefits described in Article XI, Section 7.

4. Eligibility Rule, Amount and Form of Benefit Upon Death

(a) Eligibility Rule

The beneficiary of a Participant who dies prior to his retirement date shall be entitled to the Participant's Account Balance if the Participant:

- (1) has accrued two (2) or more years of Current Service Credit prior to the date of death, and
- (2) the Participant has not incurred a forfeiture of Credited Service under Article IV, Section 3 of the Plan.

The above requirements will be waived if the deceased was a vested Participant.

The Participant's beneficiary shall be determined in accordance with Article VI, Section 4(e).

(b) Amount of Individual Account Benefit

Upon the pre-retirement death of an eligible Participant, his beneficiary shall receive a distribution based on his Account Balance as of the last Valuation Date immediately preceding the date of death plus any credited percentage based on employer contributions received thereafter. If the distribution is to be made in the form of a monthly annuity benefit to the Participant's spouse under Section 3(c) it will be based on the last Valuation Date prior to his death plus any credited percentage based on employer contributions received thereafter.

If employer contributions are received on behalf of a Participant after distribution of the account has been made or commenced, the credited percentage of such contributions shall be distributed to the beneficiary as soon as practicable in accordance with Section 3(c).

(c) Form of Benefit

A beneficiary who is not the Participant's spouse shall receive distribution of the Account Balance in the form of a lump sum death benefit.

If the Participant is married at the time of his death and his spouse is eligible for a pre-retirement spouse's monthly annuity benefit, his spouse, unless she elects otherwise, will receive a benefit calculated actuarially to provide a pre-retirement monthly annuity death benefit as provided in Article VI, Section 5, if applicable, and such benefit shall be added to her monthly annuity benefit as of the commencement date under Section 5 of Article VI. In lieu of the monthly annuity benefit, the spouse may elect a lump-sum death benefit payable at the time of the Participant's death.

5. Crediting of Interest.

Each Participant's account will be credited with interest quarterly. The rate of interest which will be one-fourth of the interest rate determined in accordance with second paragraph of Article II, Section 17, per quarter (interest will be a compounded quarterly). However, the Trustees may change this interest rate by means of a Plan amendment adopted prior to the beginning of the Plan Year to which the change relates.

Interest will be credited to each Participant's account on each Valuation Date by applying the stated rate of interest to the Account Balance as it existed on the Valuation Date.

6. Return to Work

If a Participant returns to work after he has received a lump sum distribution of his Account Balance he will be considered a new Participant for this benefit and a new account will be established for him with a zero balance. If he begins earning Contributory Service, the allocation of credits to his account will be resumed.

7. Forfeiture of Benefit

The benefit described in this Article is payable only to those Participants who were vested under Article V or otherwise eligible for retirement benefits under Article VI, Section 2 or 3 or death benefits under Article VI, Section 4. A Participant who does not satisfy these requirements is subject to the break in service, forfeiture and reinstatement rules under Article IV. If a forfeiture occurs, as provided therein, the Participant shall forfeit his Account Balance.

8. Eligible Rollover Plan Distribution

The Individual Account Benefit, payable under this Article VII, is an eligible rollover plan distribution unless the amount payable is less than \$200 and/or the Participant is a vested terminated Participant who is age 70-1/2 or older. The effect this designation will have on the Individual Account Benefit payout is further explained in Article XI, Section 13.

9. Election, Rejection or Revocation

Any written election, rejection or revocation (including any change of a previous choice) required by law or governmental regulation to be made under Article VI shall not take effect unless (a) the spouse of the Participant consents in writing to such election, (b) such election designates a beneficiary (or a form of benefit) which may not be changed without spousal consent, and (c) the spouse's consent acknowledges the effect of such election and is witnessed by a notary public. Notwithstanding the preceding sentence, no spousal consent shall be required if it is established to the satisfaction of the Trustees that spousal consent may not be obtained because there is no spouse, because the spouse cannot be located, or because of such other circumstances as the Internal Revenue Service may by regulations prescribe.

ARTICLE VIII

RE-EMPLOYMENT OF RETIRED PARTICIPANTS

1. Re-employment After Obtaining Age 70.

Suspension of benefits shall not apply with respect to any earnings of a retired Participant who continues to work after attaining age 70.

2. Permanent Return to Work in Industry Prohibited

Under this Plan, retirement benefits are payable to Participants who retire from employment at their trade or craft in the Southern California Lumber Industry. Therefore, if a retired Participant returns to work at his trade or craft in the Southern California Lumber Industry on a permanent basis his monthly retirement benefits shall be subject to suspension according to the provisions of Section 3 of this Article.

A retired Participant who obtains work outside the Southern California Lumber Industry or who obtains work within the Industry but in a different trade or craft from which he retired, shall not be subject to a benefit suspension.

3. Definition of Permanent Return to Work

A retired Participant who returns to work at his trade or craft in the Southern California Lumber Industry shall be considered to have made a permanent return to work if, in any calendar year, he

- (1) works 40 or more hours each month, and
- (2) is age 60 but less than 65 and earns more than the total dollar earnings allowance permitted to Social Security recipients under the terms of the Social Security Act, as such may be amended,

or

is age 65 but less than 70 and earns more than the total dollar earnings allowance as set by the Board of Trustees. For Plan years 2003 and thereafter, the Trustee-imposed maximum will be the total dollar earnings allowance permitted by Social Security recipients under the terms of the Social Security Act for retired Participants who work in the year they reach full retirement age as defined by said act. Please call the Administrative Office for the earnings limitation in effect for a particular calendar year.

Once the retired Participant has earned the maximum allowance his monthly benefits for the balance of that calendar year shall be suspended. However, suspension of benefits will not apply in any calendar month if the retired Participant works less than 40 hours in that month, or if his actual earnings for that month are less than the amount of his monthly retirement benefit.

4. Temporary or Casual Return to Work Does Not Disqualify

If a retired Participant returns to work at his trade or craft in the Southern California Lumber Industry and, in any calendar year does not earn more than the total dollar earnings allowance as described in Section 3 of this Article, his return to work will be considered as tempo-

rary or casual and will not cause a suspension of any monthly retirement benefits payable in that year.

5. Administration of Return to Work Provisions

It shall be the responsibility of each retired Participant who intends to return to work at his trade or craft in the Southern California Lumber Industry to give advance notice of that intention to the Administrative Office so that his situation can be clarified and arrangements can be made to monitor his earnings.

Additionally, when a retired Participant has returned to work and has earned the maximum earnings allowance for a calendar year, as described in Section 3 of this Article, it shall be his responsibility to return to the Administrative Office any additional monthly retirement benefit checks which may be sent to him. If a retired Participant fails to return a monthly benefit check to which he is not entitled the amount of that benefit check will be offset against future benefits to which the Participant may be entitled.

It shall also be the responsibility of each retired Participant whose benefits are being suspended to notify the Administrative Office when he ceases the prohibited employment. Monthly benefits will be resumed as soon as possible, less any offset which may be applicable.

The Administrative Office may from time to time request a retired Participant to furnish information concerning his employment status and earnings (including the execution of forms requesting release of Social Security earnings information). Failure to furnish the requested information may result in an interruption of monthly retirement benefit payments pending compliance with the request.

6. Accrual of Additional Current Service Credit

Retired Participants who return to work at their trade or craft in the Southern California Lumber Industry may while employed be covered by additional employer contributions to the Retirement Fund (i.e., Contributory Service). Current Service Credit will be extended with respect to any month for which Contributory Service is earned by virtue of the retired Participant's re-employment in the Industry.

A retired Participant who is working and who is credited with additional Current Service Credit shall upon a subsequent retirement and the filing of a new application for retirement benefits be entitled to an increase in his original monthly benefit based on such additional Current Service Credit and his age at the time of his subsequent retirement. Any such increase shall be effective upon the date of his subsequent retirement.

7. Compliance with Government Regulation

It is the intent that the interpretation and administration of this Article VIII will conform to the requirements of Government Regulation 29 CFR 2530.203-3, as such may be amended.

ARTICLE IX

RECIPROCAL AGREEMENTS

The Board of Trustees has entered into various Reciprocal Agreements with other retirement plans which provide benefits to employees who work under collective bargaining agreements in similar or related industries. As a result of these Reciprocal Agreements, service under one or more related retirement plans may be combined with service under this Plan for the purpose of establishing eligibility for certain benefits under this Plan (although benefit amounts are computed separately).

All related agreements (and related pension plans) and information on how these Reciprocal Agreements may be applied to assist individual Participants may be obtained from the Administrative Office of the Trust Fund.

ARTICLE X

BENEFIT CLAIM AND REVIEW PROCEDURES

1. Filing a Claim for Benefits

Any Participant or beneficiary (or authorized representative thereof) may file a claim for benefits by completing and submitting the required application(s) for those benefits to the Administrative Office of the Trust Fund. Applications may be obtained from the Administrative Office.

2. Administrative Review of Claims

Upon receipt of a claim, the Administrative Office will determine whether the Participant or beneficiary is entitled to the benefits requested. If the claim is denied in whole, or in part, the Administrative Office will provide notification of its decision in writing or by electronic means no later than 90 days after receipt of the claim. This 90-day period begins with the filing of the claim without regard to whether all the information necessary to make a decision accompanies the filing.

If the Administrative Office determines that special circumstances require an extension of time for processing the claim, written notice of the extension will be furnished to the Participant or beneficiary prior to the termination of the initial 90-day period. The extension cannot exceed a period of 90 days from the end of the initial period. The extension notice shall indicate the special circumstances which require the extension of time and the date by which the Administrative Office expects to render the claim determination.

The Administrative Office and the Participant or beneficiary may agree to further extensions of these time periods. Any such agreement will be in writing.

3. Notice of Claim Denials

If a claim is denied in whole, or in part, the Participant or beneficiary will be provided with a notice of the Administrative Office's denial, in writing or by electronic notification. The notice will contain:

- (a) the specific reason or reasons for the denial;
- (b) reference to the specific Plan provision(s) on which the denial is based;
- (c) a description of any additional material or information necessary for the Participant or beneficiary to perfect the claim and an explanation of why such material or information is necessary; and
- (d) an explanation of the Appeal Procedures described below and the time limits applicable to such procedures.

4. Appeal of Denied Claims

The procedures specified herein shall be the sole and exclusive procedures available to a Participant or beneficiary ("Claimant") who is dissatisfied with an eligibility determination, benefit award or who is otherwise adversely affected by any action of the Board of Trustees or of the Administrative Office acting on its behalf.

The Claimant (or authorized representative thereof) must appeal to the Board of Trustees within 60 days following receipt of a notification of any denial. The request must be in writing and sent to the Trust Fund in care of the Administrative Office. The Administrative Office shall provide reasonable access to and copies of all documents, records, and other information, free of charge and upon request, that are relevant to the Claimant's claim. Claimant will have the opportunity to submit written comments, documents, records, or any other information in support of the claim.

5. Levels of Appeal Procedures

Appeals of denied claims for benefits are subject to two levels of mandatory appeal to the Board of Trustees. Any appeal of a Board of Trustees' determination is thereafter subject to mandatory final and binding arbitration.

Level One - The appeal will be heard by written submission no later than the Board of Trustees' quarterly meeting that immediately follows the receipt of a request for appeal, except if the request is filed within 30 days of the date of the meeting. In such case, an appeal will be heard no later than the date of the second meeting following receipt of the Claimant's appeal.

If there are special circumstances, the appeal will be heard and decided no later than the third meeting date following the receipt of the

request for appeal. Claimant will be provided with written notice in advance of the extension describing the special circumstances and the date the matter will be heard and decided.

Claimant will be notified of an appeal decision no later than 5 days after the decision is made.

Claimant and the Board of Trustees may agree to further extensions of any time period. Any such agreement will be in writing.

Level Two - A second level of appeal before the Board of Trustees will be scheduled only if the Trustees cannot make a decision based upon the written submission(s). In such an instance, a hearing will be held in which the Claimant and/or authorized representative will be asked to attend and present information and documentation in support of the appeal.

The second level of appeal will occur within the time frames set forth above.

6. Incomplete Appeals

If the Claimant fails to follow the above-referenced procedures or does not provide sufficient information to decide an appeal, the Claimant will be notified in writing. Claimant will have 45 days from receipt of the notification within which to provide the additional information. The Claimant and the Board of Trustees may agree to further extensions of this time period. Any such agreement shall be in writing.

All time periods for deciding an appeal shall be tolled from the date on which the notification of any extension(s) is sent to the Claimant until the date on which the Claimant responds to the request for additional information.

7. Notice of Appeal Decision

The Board of Trustees' decision on appeal will be provided to the Claimant in writing or by electronic notification. If the appeal is denied in whole, or in part, the notification will contain the following information:

- (a) the specific reason or reasons for the denial;
- (b) reference to the specific Plan provision(s) on which the benefit claim denial is based;
- (c) a statement that the Claimant 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 Claimant's claim for benefits;
- (d) a statement of the Claimant's right to request mandatory final and binding arbitration.

8. Arbitration

If the Claimant is dissatisfied with the written decision of the Board of Trustees, the Claimant shall have the right to appeal the matter to mandatory final and binding arbitration in accordance with the employee benefit plan arbitration rules of the American Arbitration Association, provided that the Claimant submits a request for arbitration to the Board of Trustees, in writing, within sixty (60) days of receipt of the written appeal decision. If an appeal to arbitration is requested, the Board of Trustees shall submit to the arbitrator a certified copy of the record upon which the Trustees' decision was made.

The question for the arbitrator shall be (1) whether the Board of Trustees was in error upon an issue of law, (2) whether the Board of Trustees acted arbitrarily or capriciously in the exercise of its discretion, or (3) whether the Board of Trustees' findings of fact were supported by substantial evidence. The decision of the arbitrator shall be final and binding upon the Board of Trustees, upon the appealing party, and upon all other parties whose interests are affected thereby.

9. Additional Standards

The Board of Trustees' review of a Claimant's appeal will be a de novo review. This de novo review will take into account all information submitted by the Claimant without regard to whether such information was submitted or considered by the Administrative Office in its review.

The Board of Trustees shall have the authority to adopt rules governing the conduct of any administrative review or appeal. These rules, if adopted, and the Benefit Claim and Review Procedures contained in this Article are in compliance with ERISA Section 503 and the Department of Labor Regulations 29 CFR 2560-503.1 and, therefore, are intended to be reasonable and offer a Claimant a full and fair review process. Any omissions or oversights will be interpreted in accordance with the law and its corresponding regulations.

ARTICLE XI

MISCELLANEOUS

1. Information to be Furnished

The Board of Trustees shall have the right to require, as a condition precedent to the payment of any benefit under the Plan, all information which it reasonably deems necessary, including records of employment, proofs of date of birth, death and identification. No benefit dependent in any way upon such information shall be payable unless and until the information so required shall be furnished. Such evidence shall be furnished by the Labor Organizations, Employers and Participant, as applicable.

Any Participant, retired or otherwise, shall be subject to disqualification, either temporarily or permanently within the discretion of the Board of Trustees, for any erroneous or fraudulent actions or statements made in obtaining benefits.

2. Titles and Words

The titles of the various Articles and Sections of this Plan are inserted solely for convenience or reference and are not a part of nor shall they be used to construe any term or provision hereof. Whenever any words are used in the masculine gender, they may be construed as though they were used in the feminine gender, and words in singular form may be construed as though they were used in the plural form, in all cases where they would so apply.

3. Maximum Benefits

Notwithstanding any other provision of this Plan, the benefits provided hereunder shall not exceed the limitations imposed by Section 415 of the Internal Revenue Code. The maximum limitations imposed by Section 401(a)(17) of the Internal Revenue Code will also apply including OBRA 1993's annual compensation limit which is effective January 1, 1994 and as may be amended from time to time.

For the purposes of establishing the limitations under Section 415 of the Internal Revenue Code, compensation shall mean the total cash salary or wages paid to the Participant during a Plan Year and reportable as earnings subject to income tax on Form W-2. In addition, compensation shall include any elective deferral (as defined under Section 402(g)(3) of the Internal Revenue Code), and any amount which is contributed or deferred by the Employer at the election of the Employee, and which by reason of Section 125 or 457 of the Internal Revenue Code, is not includible in the gross income of the Employee.

Compensation shall not include amounts realized from the exercise of a non-qualified stock option, or when restricted stock (or property) held by the Employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture; amounts realized from the sale, exchange, or other disposition of stock acquired under a qualified stock option; and other amounts which received special tax benefits, other than amounts referred to in the preceding paragraph.

In addition to any other applicable limitations which may be set forth in the Plan and notwithstanding any other contrary provisions of the Plan, compensation taken into account under the Plan for any calendar year for the purpose of calculating a Participant's accrued benefit (including the right to an optional benefit provided under the Plan) shall not exceed the limits set forth in Section 401(a)(17) of the Internal Revenue Code, as adjusted for changes in the cost of living as provided in Sections 401(a)(17) and 415(d) of the Internal Revenue

Code. The foregoing limit shall be applied on an Employer-by-Employer basis.

For limitation years beginning on and after January 1, 2001, for purposes of applying the limitations under Section 415 of the Internal Revenue Code, compensation paid or made available during such limitation years shall include elective amounts that are not includible in the gross income of the Employee by reason of Section 132(f)(4) of the Internal Revenue Code.

4. Correction of Errors

It is recognized and acknowledged by all parties that the Board of Trustees will provide eligibility credits or benefits to Participants and their beneficiaries based on Trust Fund records. It is also recognized and acknowledged that such records could be incorrect due to (a) Employers reporting individuals who are not eligible for participation, (b) Employers reporting incorrect names or incorrect social security numbers, (c) Employers reporting more (or less) than the hours or contributions required to be reported, (d) delinquent Employer reports, (e) Participants or beneficiaries submitting incorrect or false benefit applications, (f) recording or computation errors by the Administrative Office, (g) computer errors, or (h) other similar circumstances. The Board of Trustees shall have the authority to correct the Trust Fund records whenever errors are discovered and to terminate participation, adjust eligibility, credits or benefits, or seek the recovery of benefit overpayments, as they may determine.

5. Interpretation and Application of Plan

The Board of Trustees shall have the authority to interpret and apply the provisions of the Trust Agreement and of this Plan or of their own motions, resolutions, and administrative rules and regulations, or any contracts, instruments, or writings that they may have adopted or into which they may have entered.

6. Facility of Payment

In the event the Board of Trustees determines that any Participant or beneficiary is physically or mentally unable to give a valid receipt for any benefit payment due him under the Plan, such payment may, unless a claim shall have been made for such payment by a legally appointed guardian, conservator, or other legal representative, be paid to any person or institution then in the judgment of the Board of Trustees to be providing the care and maintenance of such Participant or beneficiary. Any such payment to an alternate person shall be a complete discharge of any liability of the Trust Fund and the Board of Trustees.

7. Small Benefits

If at the time a monthly benefit becomes payable to a Participant and the Actuarial Equivalent Value of such monthly benefit is \$5,000 or

less, the Board of Trustees will pay to the Participant in a lump sum, the amount of such actuarial value in lieu of the monthly benefit otherwise payable. Also, the Board of Trustees will make arrangements for the payment of small monthly benefits (\$100.00 or less) in a single lump sum (with the consent of the Participant and spouse, if applicable, if the lump sum is over \$5,000).

Such Actuarial Equivalent Value shall be determined in accordance with the second paragraph of Article II, Section 17.

Small payments under this Article XI, Section 7 are eligible rollover plan distributions unless the amount payable is less than \$200 and/or the Participant is a vested terminated participant who is age 70-1/2 or older. The effect this designation will have on a small benefit payout is further explained in Article XI, Section 13.

8. Inalienability of Benefits

No right or claim to any of the monies or other assets of the Fund shall be assignable by a Participant, nor shall such rights or claims be subject to garnishment, attachment, execution, or levy of any kind, and any attempt to assign, transfer, pledge, encumber, commute or anticipate the same will be not recognized by the Board of Trustees, a Participating Labor Organization, an Employer, or anyone else, except to such an extent as may be required by law or by a domestic relations order which has been approved and qualified by the Administrator in conformance with Section 206 of the Employee Retirement Income Security Act of 1974, as amended.

No Participant shall be entitled to receive any part of the Employer contributions in lieu of the benefits provided through this Plan. Where a Participant fails to qualify for benefits, neither the Participant nor his Employer shall have any claims to the contributions which may have been made on his behalf.

9. Rights of Employees

Nothing herein contained shall be deemed to give any Employee the right to be retained in the service of an Employer or to interfere with the right of an Employer to discharge such Employee at any time, nor shall it be deemed to give an Employer the right to require the Employee to remain in its service, nor shall it interfere with the Employee's right to terminate his service at any time.

10. Acceptance by Employer

Each Employer making contributions to the Trust Fund does accept, ratify and agree to be held by and comply fully with all of the terms and provisions of the Trust Agreement and of this Plan, of any amendments thereto, and any resolutions of the Board of Trustees implementing their terms. No liability is assumed for the performance of any other Employer.

11. Governing Law

The Plan shall be governed, construed and administered in accordance with Section 302(c) of the Labor Management Relations Act of 1947 as amended, the Employee Retirement Income Security Act of 1974 as amended, the Internal Revenue Code, and the regulations pertinent thereto. Any omissions or oversights will be resolved in accordance with these laws and regulations.

12. Compliance with Funding Requirements

Notwithstanding any other provision of this Plan, the Board of Trustees shall have the authority to take whatever action it deems necessary to ensure that the contributions paid by the participating Employers, in each Plan year, will remain fully deductible within the limitations of Sections 404 and 412 of the Internal Revenue Code. Such action may include, but not be limited to, one time increases in the accumulated value of a Participant's Individual Account or one time increases in the amount of benefits payable to retirees in pay status. Upon approval, any such action shall be formalized in a resolution and set out in an Appendix B to the Plan.

13. Eligible Rollover Plan Distributions

Notwithstanding any provision of the Retirement Plan to the contrary, certain distributions under Federal law are eligible for rollover to an Individual Retirement Account (IRA) or other eligible retirement plan. The distributions from this Retirement Plan that are eligible for this rollover treatment are: Individual Account Benefit (taken as a single payment) (unless you are a vested terminated Participant who is age 70-1/2 or older), \$5,000 or less benefit payouts (unless you are a vested terminated Participant and age 70-1/2 or older), other small benefit payouts (unless you are a vested terminated participant and age 70-1/2 or older), and death benefits (taken as a single payment and paid to a surviving spouse or former surviving spouse, as applicable) unless the amount is less than \$200.

If a participant (or spouse or former spouse) elects to rollover the distribution, the payout will be made directly from the Retirement Plan to the financial institution or other eligible retirement plan selected by the participant (spouse or former spouse, as applicable). If a participant (or spouse or former spouse) does not elect to rollover this distribution and elects to have the payment made to him or her, or if no election is made, the Retirement Plan must withhold 20% of the payment. This 20% withholding will then be paid to the Internal Revenue Service.

If a participant's (or spouse's or former spouse's) distribution falls under the eligible rollover plan distribution rules, they will receive additional information from the Administrative Manager on the rollover rules at the time they apply for benefits which would result in such a distribution.

The Board of Trustees has adopted procedures for complying with the eligible rollover plan distribution rules as set out in the Unemployment Compensation Amendments Act of 1992 and regulations issued subsequent thereto. The Board reserves the right to make any changes as they deem appropriate or as required by law.

14. **Benefit Limitations**

Notwithstanding any other provision of the Plan, all benefits shall comply with the following:

- (a) If the distribution of the Employee's entire interest is not made in a lump sum, the distribution will be made:
 - (1) over the life of the Employee; or
 - (2) over the lives of the Employee and designated beneficiary; or
 - (3) over a period certain not extending beyond the life expectancy of the Employee or the life expectancy of the Employee and a designated beneficiary.
- (b) If distribution of the Employee's benefits commenced in accordance with the Regulations before the Employee's death, the remaining interest will be distributed at least as rapidly as under the method used as of the date of the Employee's death.
- (c) If the Employee dies before his benefits commenced in accordance with the Regulations, the method of distribution must satisfy the following requirements:
 - (1) any remaining portion of the Employee's interest that is not payable to a beneficiary designated by the Employee will be distributed within five years after the Employee's death; and
 - (2) any portion of the Employee's interest that is payable to a beneficiary designated by the Employee will be distributed either (i) within five years after the Employee's death, or (ii) over the life of the beneficiary or over a period certain not extending beyond the life expectancy of the beneficiary commencing not later than the end of the calendar year following the calendar year in which the Employee dies (or, if the designated beneficiary is the Employee's surviving spouse, commencing not later than the end of the calendar year following the calendar year in which the Employee would have attained age 70½).
- (d) All survivor benefits shall comply with the limits of Internal Revenue Code Section 401(a)(9) and the incidental benefit rule and the regulations prescribed under them including proposed Treas. Reg. Sections 1.401 (a) (9) - 1 and 1.401 (a) (9) -2.

- (e) With respect to distributions under the Plan made for calendar years beginning on or after January 1, 2001, the Plan will apply the minimum distribution requirements of section 401 (a) (9) of the Internal Revenue Code in accordance with the regulations under section 401 (a) (9) that were proposed on January 17, 2001, notwithstanding any provision of the Plan to the contrary. This amendment shall continue in effect until the end of the last calendar year beginning before the effective date of final regulations under section 401 (a) (9) or such other date as may be specified in guidance published by the Internal Revenue Service.

15. Nonforfeitable and Vested Status

The benefits to which a Participant is entitled under this Plan upon his attainment of Normal Retirement Age are nonforfeitable, subject, however, to retroactive amendment made within the limitation of Section 411(a)(3)(C) of the Internal Revenue Code and Section 302(c)(8) of ERISA. The benefits to which a surviving spouse is entitled shall likewise be nonforfeitable. Participants and beneficiaries shall be entitled to any of the other benefits of this Plan subject to all of the applicable terms and conditions.

16. Delayed Retirement

A Participant who continues working in the Industry after age 65 and retires after reaching Normal Retirement Age may be entitled to an actuarial adjustment of his pension benefit. As of the end of each Plan Year (or his actual retirement date, if earlier), his benefit will be the greater of:

- (1) the amount of retirement benefits accrued at age 65 (or at the previous December 31 if he is past age 65) increased by 0.8% times the number of months since age 65 (or last actuarial adjustment calculation); or
- (2) the amount of retirement benefits accrued at the Plan Year end (or actual retirement date, if earlier) on the basis of credited service and contributions up to that point.

A Participant who delays his Retirement Date beyond Normal Retirement Age but who does not continue to work in the Industry may, at his option, have benefits paid either:

- (1) on a retroactive basis to the first of the month in which he became age 65 or
- (2) in an amount based on the retirement benefits accrued at age 65 actuarially increased to his actual Retirement Date. The actuarial increase will be 9.6% per Plan Year and will be determined at the end of each Plan Year (or his actual Retirement Date, if earlier). For periods less than one complete Plan Year, the actuarial increase will be 0.8% times the number of months in the period.

ARTICLE XII

AMENDMENTS AND TERMINATION

1. Amendments to Plan

This Plan may be amended at any time by action of the Board of Trustees except that the Trustees shall make no amendment which is in conflict with any applicable law or government regulation.

The power of the Board of Trustees to amend this Plan includes the power to make amendments which are required to protect the tax exempt status of the Plan and the deductibility of participating Employer contributions as business expenses for income tax purposes.

In addition, the Board of Trustees may further amend or cancel any such amendments. Any amendment or cancellation thereof shall be furnished to the Employers, Participating Labor Organizations and Participants.

2. Termination of the Plan

It is intended that this Plan and the Trust Fund of which it is a part shall remain in effect so long as there are Employers who are obligated under any collective bargaining agreement to make contributions to the Trust Fund. However, the Board of Trustees has the authority to terminate or partially terminate this Plan and the Trust Fund, as it may determine, in accordance with prevailing law and Section 3 below.

3. Allocation of Funds on Termination

On the termination or partial termination of the Plan, the Board of Trustees shall wind up the affairs of the Trust Fund and the monies shall be allocated by the Board of Trustees on an actuarial basis among Participants, and their beneficiaries, after the payment of expenses, in the manner prescribed by the Employee Retirement Income Security Act of 1974, and any amendments thereto and the Internal Revenue Code. In no event shall any remaining monies or assets be paid to or be recoverable by any Employer or Participating Labor Organization.

In the event of termination or partial termination of the Plan, the accrued benefits of the affected Participants will become fully vested to the extent then funded.

Employer Trustees

Union Trustees

/s/ W. Scott McConnell

/s/ Patrick McGinn

/s/ Gene Fredricks

/s/ William K. Miller

/s/ John "Bogie" Nicols

/s/ Michael Kolender

/s/ Rollin Herron

/s/ Floyd Clay

/s/ James Bernsen

APPENDIX A

Social Security Option Factors

The monthly benefit payable between Early Retirement Age and Normal Retirement Age (NRA) shall be increased by the amount indicated. Commencing at NRA such increased benefit shall be reduced by \$200 per month. If the value of the reduced benefit at NRA is a small benefit as defined in Article XI, Section 7, such benefit will be paid in a lump sum in accordance with that Section. In no event will any indicated amount be less than that computed using the actuarial equivalent basis defined in the second paragraph of Article II, Section 17.

RETIREMENT AGE

Months	Years				
	60	61	62	63	64
0	\$134.19	\$144.81	\$156.54	\$169.53	\$183.95
1	135.08	145.79	157.62	170.73	185.29
2	135.96	146.77	158.71	171.93	186.92
3	136.85	147.75	159.79	173.13	187.96
4	137.73	148.72	160.87	174.34	189.30
5	138.62	149.70	161.95	175.54	190.64
6	139.50	150.68	163.04	176.74	191.97
7	140.39	151.66	164.12	177.94	193.31
8	141.27	152.63	165.20	179.14	194.65
9	142.16	153.61	166.28	180.34	195.99
10	143.04	154.59	167.37	181.54	197.32
11	143.93	155.57	168.45	182.75	198.66

Social Security Option Factors for Small Benefits

If the total monthly benefit payable at Early Retirement Age after the adjustment shown above is less than \$200, the benefit payable under this option shall equal the unadjusted early retirement benefit times the adjustment factor shown below. Such adjusted benefit is payable through the month preceding age 65 and no benefits are

payable thereafter. In no event will any factor shown below be less than that computed using the actuarial equivalent basis defined in the second paragraph of Article II, Section 16.

RETIREMENT AGE

Months	Years				
	60	61	62	63	64
0	3.0391	3.6240	4.6022	6.5637	12.4594
1	3.0805	3.6894	4.7197	6.8332	13.5920
2	3.1231	3.7571	4.8434	7.1257	14.9512
3	3.1669	3.8274	4.9738	7.4444	16.6125
4	3.2119	3.9004	5.1114	7.7929	18.6890
5	3.2582	3.9762	5.2568	8.1757	21.3589
6	3.3059	4.0550	5.4107	8.5980	24.9187
7	3.3550	4.1369	5.5739	9.0663	
8	3.4055	4.2223	5.7472	9.5885	
9	3.4577	4.3113	5.9317	10.1746	
10	3.5114	4.4041	6.1284	10.8370	
11	3.5668	4.5010	6.3386	11.5917	

APPENDIX B

Benefit Improvements

Action Taken:

April 5, 1990 Board of Trustees meeting.

For active participants as of May 31, 1989, and to pensioners in pay status as of June 1, 1988:

- 1) active participants as of May 31, 1989, the amounts accumulated in the Individual Account as of the same date shall be increased by 24%.
- 2) former participants and surviving spouses of former participants who were receiving benefits, or on behalf of whomever benefits were paid on June 1, 1988, shall receive an additional check equal to 40% of their monthly pension for May 1989.

Action Taken:

November 2, 1990 Board of Trustees meeting.

For active participants as of June 1, 1990, and to pensioners in pay status as of December 1, 1990:

- 1) active participants as of June 1, 1990, will receive an increase of 50% in the amount accumulated in their Individual Account as of the same date.

- 2) former participants and surviving spouses of former participants who are receiving benefits, or on behalf of whom benefits are paid on December 1, 1990, shall receive an increase in their monthly benefit of 5% applied retroactively to June 1, 1990.

Action Taken:

August 13, 1992 Board of Trustees meeting.

For active participants as of January 1, 1992 and to pensioners in pay status as of January 1, 1992:

- 1) active participants and vested terminated participants will receive a 7% increase to their total employer contributions as of January 1, 1992.
- 2) active participants as of January 1, 1992 will receive an increase of 10% in the amount accumulated in their Individual Account as of the same date.
- 3) former participants and surviving spouses of former participants who retired on or before January 1, 1992 and are receiving a monthly benefit as of September 1, 1992 shall receive an increase in their monthly benefit of 7% applied retroactive to January 1, 1992.

Action Taken:

August 12, 1993 Board of Trustees meeting.

For active participants as of January 1, 1993 and to pensioners in pay status as of January 1, 1993:

- 1) active participants and vested terminated participants will receive a 4% increase to their total employer contributions as of January 1, 1993.
- 2) active participants as of January 1, 1993 will receive an increase of 42% in the amount accumulated in their Individual Account as of the same date.
- 3) former participants and surviving spouses of former participants who retired on or before January 1, 1993, and are receiving monthly benefits as of September 1, 1993, shall receive an increase in their monthly benefit of 7% applied retroactive to January 1, 1993.

Action Taken:

July 14, 1994 Board of Trustees meeting.

For active participants as of January 1, 1994 and to pensioners who retired on or before January 1, 1994:

- 1) active participants as of January 1, 1994 will receive an increase of 30% in the amount accumulated in their Individual Account as of the same date.

- 2) former participants and surviving spouses of former participants who retired on or before January 1, 1994 and are receiving monthly benefits as of October 1, 1994, shall receive an increase in their monthly benefit of 7.3% effective January 1, 1995.

Action Taken:

August 31, 1995 and October 12, 1995 Board of Trustees meetings.

For active participants as of January 1, 1995 and to pensioners who retired on or before January 1, 1995:

- 1) active participants and vested terminated participants will receive a 8% increase to their total accrued contributions as of January 1, 1995.
- 2) active participants as of January 1, 1995 will receive an increase of 40% in the amount accumulated in their Individual Account as of the same date.
- 3) former participants and surviving spouses of former participants who retired on or before January 1, 1995 and are receiving benefits as of October 1, 1995, shall receive an increase in their monthly benefit of 8% effective December 1, 1995.

Action Taken:

August 15, 1996 Board of Trustees meeting.

For active participants as of January 1, 1996 and to pensioners who retired on or before January 1, 1996:

- 1) effective January 1, 1996, the current benefit multiplier is increased from 2.5% to 2.75% of contributions.
- 2) active participants as of January 1, 1996 will receive an increase of 62% in the amount accumulated in their Individual Account as of the same date.
- 3) former participants and surviving spouses of former participants who retired on or before January 1, 1996 and are receiving monthly benefits as of October 1, 1996, shall receive an increase in their monthly benefit of 18% effective December 1, 1996.

Action Taken:

August 14, 1997 Board of Trustees meeting.

For active participants as of January 1, 1997 and to pensioners who retired on or before January 1, 1997:

- 1) effective January 1, 1997, the past service multiplier is increased from \$5.10 to \$5.50 per year of past service
- 2) active participants and vested terminated participants will receive an 8% increase in their total accrued contributions as of January 1, 1997

- 3) former participants and surviving spouses of former participants who retired on or before January 1, 1997 and are receiving benefits as of October 1, 1997 shall receive an increase in their monthly benefit of 8% effective December 1, 1997
- 4) active participants as of January 1, 1997 will receive an increase of 15% in the amount accumulated in their Individual Account as of the same date

Action Taken:

July 30, 1998 Board of Trustees meeting.

For active participants as of January 1, 1998 and to pensioners who retired on or before January 1, 1998:

- 1) former participants and surviving spouses of former participants who retired on or before January 1, 1998 and are receiving benefits as of October 1, 1998 shall receive an increase in their monthly benefit of 5% effective December 1, 1998
- 2) active participants as of January 1, 1998 will receive an increase of 11% in the amount accumulated in their Individual Account as of the same date

Action Taken:

August 11, 1999 Board of Trustees meeting.

For active participants as of January 1, 1999 and to pensioners who retired on or before January 1, 1999:

- 1) former participants and surviving spouses of former participants who retired on or before January 1, 1999 and are receiving benefits as of October 1, 1999 shall receive an increase in their monthly benefit of 3% effective December 1, 1999
- 2) active participants as of January 1, 1999 will receive an increase of 11.5% in the amount accumulated in their Individual Account as of the same date

Action Taken:

August 10, 2000 Board of Trustees meeting.

For active participants as of January 1, 2000 and to pensioners who retired on or before January 1, 2000:

- 1) former participants and surviving spouses of former participants who retired on or before January 1, 2000 and are receiving benefits as of October 1, 2000 shall receive an increase in their monthly benefit of 12% effective December 1, 2000.
- 2) active participants as of January 1, 2000 will receive an increase of 27% in the amount accumulated in their Individual Account as of the same date

Action Taken:

August 9, 2001 Board of Trustees meeting.

Active participants as of January 1, 2001 will receive an increase of 2.5% in amount accumulated in their Individual Accounts as of the same date.

PART VI
INFORMATION ABOUT THE
ADMINISTRATION OF THE PLAN

A. Name of the Plan

The name of the Plan is the Southern California Lumber Industry Retirement Plan.

B. Administration of the Plan

The Plan is administered by the Board of Trustees of the Southern California Lumber Industry Retirement Fund. The name, address and telephone number of the Board of Trustees is:

Board of Trustees
Southern California Lumber Industry Retirement Fund
c/o Administrative Office
13191 Crossroads Parkway North, Suite 205
City of Industry, CA 91746-3434
Telephone — (562) 463-5080

Participants and beneficiaries may receive from the Trustees, upon written request, information as to whether a particular employer or labor organization is a sponsor of the Plan and, if the employer or labor organization is a sponsor, the sponsor's address.

C. Identification Number

The taxpayer identification number assigned to the Retirement Fund by the Internal Revenue Service is 95-6035266. The Plan number is 001.

D. Type of Plan

The Plan is a defined benefit pension plan which provides retirement benefits, total disability benefits, death benefits, and an individual account.

E. Type of Administration

The Plan is administered by the Board of Trustees with the assistance of Benefit Programs Administration, a contract administrator.

F. Plan Administrator

See paragraph B.

G. Agent for Service of Process

The Board of Trustees has appointed its Administrator, Benefit Programs Administration, as its agent for service of process. The address is the same as given in paragraph B above. Each member of the Board of Trustees is also an agent for purposes of accepting service of legal process. The names and addresses of the Trustees are set forth below.

H. Trustees

The Trustees serving at the time of the printing of this booklet are as follows:

EMPLOYER TRUSTEES

Mr. W. Scott McConnell
McConnell Cabinets, Inc.
13110 Loudon Lane
City of Industry, California 91746

Mr. Gene Fredricks, President
Del Jones Associates
46452 Lope de Vega
Mission Viejo, California 92691

Mr. John "Bogie" Nicols
Reliable Wholesale Lumber
7600 Redondo Circle
Huntington Beach, California 92648

Mr. Rollin Herron, Vice President
Beven-Herron, Inc.
14511 Industry Circle
La Mirada, California 90638

UNION TRUSTEES

Mr. Patrick McGinn
Cabinet Makers, Millmen &
Industrial Carpenters Local 721
10015 Rose Hills Road, Suite 100
Whittier, California 90601

Mr. William K. Miller
Cabinet Makers, Millmen &
Industrial Carpenters Local 721
10015 Rose Hills Road, Suite 100
Whittier, California 90601

Michael Kolender
Cabinet Makers, Millmen &
Industry Carpenters Local 721
Southwest Regional Council
8595 Miralani Dr., Suite D
San Diego, California 92126

Mr. Floyd Clay
Southwest Regional Council
of Carpenters
533 S. Fremont, 10th Floor
Los Angeles, California 90071-1475

Mr. James Bernsen
11322 Kensington Road
Los Alamitos, California 90720

The Trust Agreement provides for up to seven (7) Employer Trustees and seven (7) Labor Organization Trustees. Voting is on a unit basis with each group of Trustees having one vote.

I. Southern California Lumber Industry Retirement Fund

The Southern California Lumber Industry Retirement Fund consists of a jointly negotiated trust fund established by Cabinet Makers, Millmen and Industrial Carpenters Local 721 and employers. Other employers and local unions, if any, in the Southern California Lumber Industry may participate for their employees by signing a collective bargaining agreement to participate in the Fund.

J. Collective Bargaining Agreements

The Plan is funded entirely from employer contributions. Employers make contributions for bargaining unit employees as required by the terms of various collective bargaining agreements. Copies of such agreements may be obtained by Participants and beneficiaries upon written request to the Trustees. Further, such agreements are available for examination by Participants and beneficiaries at the Administrative Office, or at local union offices upon 10 days advance written request. The Trustees may impose a reasonable charge to cover the cost of furnishing the agreements. Participants and beneficiaries may wish to inquire as to the amount of the charge before requesting copies. All contributions are paid to the Southern California Lumber Industry Retirement Fund.

K. Participation, Eligibility and Benefits

The Plan's Normal Retirement Age is 65. For a summary of the Plan provisions concerning participation, eligibility and benefits, see Part I of this booklet. Participants may obtain a free copy of the Plan's Qualified Domestic Relations Order ("QDRO") procedures by contacting the Administrative Office.

L. Joint and Survivor Benefits

This Plan provides a Joint and Survivor benefit to a Participant who is married at the time he retires, unless the Participant and spouse elect to reject such benefit. Where a Joint and Survivor benefit is payable, the retired Participant receives a reduced monthly benefit for his lifetime and, upon his death, his surviving spouse will receive a monthly benefit equal to 75% of the retired Participant's benefit for her lifetime. The details concerning this benefit are set forth on page 32 of this booklet. A Participant who is unmarried at the time of his retirement may also choose this benefit option. The details are set forth on pages 32 to 33 of this booklet.

M. Total Disability Benefits

The Plan provides for Total Disability Benefits. The details concerning this benefit are set forth on pages 33-35 of this booklet.

N. Pre-Retirement Death Benefit

The Plan provides death benefits or surviving spouses benefits for a Participant who dies prior to retirement. The details concerning these benefits are set forth on pages 35-37 of this booklet.

O. Circumstances Which May Result in Disqualification, Ineligibility, Denial, Loss, Forfeiture, or Suspension of Benefits

There are some circumstances under which a Participant can lose pension credits or benefits. A summary of these circumstances is included in Part I of this booklet.

The Plan may be amended or terminated at any time in accordance with Part V, Article XII, Sections 1-3 of this booklet. On the termination or partial termination of the Plan, the Board of Trustees shall wind up the affairs of the Trust Fund and the monies shall be allocated by the Board of Trustees on an actuarial basis among Participants, and their beneficiaries, after the payment of expenses, in the manner prescribed by the Employee Retirement Income Security Act of 1974, and any amendments thereto and the Internal Revenue Code. In no event shall any remaining monies or assets be paid to or be recoverable by any employer or participating labor organization, nor shall any of the same be used for or diverted to purposes other than for the exclusive benefit of employees and their beneficiaries. In the event of termination or partial termination of the Plan, the accrued benefits of the affected Participants will become fully vested to the extent then funded.

P. Statement Regarding Termination Insurance

The benefits provided by this multiemployer plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal 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 years of service multiplied by (1) 100% of the first \$5 of the monthly benefit accrual rate and (2) 75% of the next \$15. The PBGC's

maximum guarantee limit is \$16.25 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 \$5,850.

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

The PBGC guarantee generally does not cover: (1) benefits greater than the maximum guaranteed amount set by law; (2) benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 years at the earliest 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) nonpension benefits such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

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

Q. Description of Plan Provisions Concerning Years of Service

This Plan requires the accumulation of a certain number of years of Credited Service for purposes of determining eligibility for vesting and for the receipt of benefits. Credited Service consists of Past Service Credit (which is employment prior to an Employer's entry date or December 31, 1962 whichever is applicable) and Current Service Credit (which is employment after an employee's Plan Date for which an Employer makes or is required to make contributions to the Plan).

A year of Past Service Credit is given for each calendar year in which a Participant was continuously employed in the Southern California Lumber Industry. No credit is given for partial years of employment. See the Past Service Credit rules set forth on pages 21 to 23 of this booklet.

A year of Current Service Credit is given for each calendar year in which a Participant has worked 1000 hours or more for a contributor to the Plan. See the Current Service Credit rules set forth on pages 23-26 of this booklet.

R. Years of Service and Vesting

The Plan provides for vesting based on five or ten years of Credited Service. See the vesting rules set forth on page 28-29 of this booklet.

S. Compliance with ERISA

The Trustees believe that the amended Plan fully complies with the Employee Retirement Income Security Act of 1974 and amendments thereto. Any omissions or oversights will be resolved in accordance with the applicable statutes and regulations.

T. Source of Contributions

All contributions are made by the participating employers. Employee contributions are not allowed. Your employer is contributing to the Fund for the Retirement Plan for each Participant working or paid for sixty-four (64), seventy (70), eighty (80) or one hundred (100) or more hours per month or according to such other formula if provided in the applicable collective bargaining agreement and approved by the Trustees in advance of the effective date of the collective bargaining agreement. Hours worked include straight time and overtime hours. Hours paid for generally include vacation, holiday and sick leave whether specifically included in the collective bargaining agreement or not. Contributions are paid on an hourly basis for employees who also work outside the plan on jobsite work and are also included in payment to the Carpenter's Pension Fund.

A complete list of participating employers may be obtained by Participants and beneficiaries upon written request and is available upon 10 days written request for examination at the Administrative Office. The Trustees may impose a reasonable charge for providing the list of participating employers.

U. Entities Used for Accumulation of Assets and Payment of Benefits and Identity of Fund Advisors

Union Bank of California has been selected as custodian of the assets of the Fund. Investments are managed by several investment management firms. At the time of the printing of this booklet, the investment management firms are: Pacific Investment Management Co., Payden & Rygel, Delta Asset Management, ICM Asset Management, the Multi-Employer Property Trust (MEPT), Barrow, Hanley, Mewhinney & Strauss, Inc., Wall Street Associates, and Baring Asset Management, Inc.

The Fund actuary is the firm of The Segal Company, Inc. The accountant is the firm of Miller, Kaplan, Arase & Co. The attorney for the Fund is Kim Cornwell Ditty of Donaldson & Cornwell. The Fund's investment counsel is Wurts & Associates, Inc.

V. Plan Year

The records of the Plan are maintained on a calendar year basis. The end of the Plan year is December 31st.

W. Procedures Governing Claims for Benefits

The procedures for presenting applications and for obtaining review of denied applications are set forth in this booklet under Part V, Article X.

X. Statement of ERISA Rights

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

Receive Information About Your Plan and Benefits

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

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

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

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

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the

interest of you and other Plan Participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

Enforce Your Rights

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

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the plan document or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you have the right to a hearing by written submission to the Board of Trustees (or a committee thereof) where you may present your position and any supporting evidence. You have the right to be represented by an attorney or any other representative of your choosing. If you are dissatisfied with the Trustees' determination, you have the right to request mandatory final and binding arbitration in accordance with the employee benefit claim rules of the American Arbitration Association. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court. If it should happen that Plan fiduciaries misuse the Plan money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees; for example, if it finds your claim is frivolous.

Assistance with Your Questions

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

publications hotline of the Pension and Welfare Benefits Administration.”

Part I, II, III, IV and VI of this booklet constitutes a Summary Plan Description required by federal law. Of necessity, many of the substantive Plan provisions mentioned in the Summary Plan Description have been set forth in summary or capsulized form. For a complete and detailed description, please refer to the full text of the Plan on pages 18 to 61.

All questions with respect to Plan participation, eligibility for benefits, or the nature and amount of benefits, or with respect to any matter of Trust Fund Plan administration, should be referred to the Trust Fund Administrative Office. No representations made to a Participant concerning eligibility, entitlement to benefits or amount and type of benefits payable are binding on the Trust Fund unless the representation(s) is in writing and made by the Board of Trustees or the Administrative Office.

Southern California Lumber Industry
Retirement Fund
13191 Crossroads Parkway North, Suite 205
City of Industry, California 91746-3434

The only party authorized by the Board of Trustees to answer questions concerning the Trust Fund and Plan is the Administrator. No participating employer, employer association, or labor organization, nor any individual employed thereby, has any authority in this regard.

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