National Automatic Sprinkler
Metal Trades
Pension Fund

2011

Summary Plan Description

TO ALL PARTICIPANTS:

We are pleased to present you with this new booklet describing the most important features of your Pension Plan. In general, this booklet applies to Participants who are active in or separated from employment covered by the National Automatic Sprinkler Metal Trades Pension Fund on or after January 1, 2011.

As Trustees of your Plan, it is our responsibility to oversee the operation of the Plan and to keep its provisions up-to-date with current laws and with the needs of Plan Participants. Since the printing of the last booklet there have been a number of Plan changes designed to comply with recent legislation.

Please read this booklet carefully to be sure you understand all of your rights and obligations under the Plan. You should also share this booklet with your family and keep it in a safe place, so that they will know where to find it.

This booklet is the Summary Plan Description. It does not set forth all of the details of your Pension Plan, but is intended as a summary only. The exact text of the rules and regulations of the National Automatic Sprinkler Metal Trades Pension Plan, the Plan document, is available on the Fund's website at www.nasifund.org . You may also receive a hard copy of the Plan document by calling or writing the NASI Metal Trades Pension Fund office. In case of doubt or discrepancy between the summary and the Plan document, the Plan document will always govern.

We believe that the National Automatic Sprinkler Metal Trades Pension Plan plays an important role in your retirement security and we are proud to be involved in its continued operation.

Sincerely,

BOARD OF TRUSTEES

IMPORTANT!

This summary of the Pension Plan is intended to provide Participants with information about the important features of the Plan. The actual Pension Plan is the final word on eligibility for benefits, amounts of pensions, filing requirements, etc., and will control pensions and other benefits awarded from this Fund. If there is any inconsistency between this summary and the actual language of the Plan, the Plan will be the governing document.

Please note that interpretation regarding participation in the Plan and eligibility for benefits, status of employers and employees, or any other matter relating to the Pension Plan should only be obtained through the Board of Trustees or the Fund Administrator. The Trustees have full and complete discretionary authority to interpret the Plan and to determine all issues or matters pertaining to the Plan. The Trustees are not obligated by, responsible for, or bound by, opinions, information, or representations from other sources.

- Save this booklet.

- If you lose your copy, you may ask the Fund Office for another. An electronic version of this booklet is also available on the internet at www.nasifund.org.

- If you want to reject the Husband-and-Wife form of pension payment at retirement, both you and your spouse must sign the waiver and have it notarized. More information about this form of pension is given later in this booklet and in the text of the plan.

- If you are leaving the industry after completing five or more years of service, remember that you may be entitled to a Vested Pension, payable when you have reached a retirement age. If this applies to you, arrangements will be made to furnish you with a statement of your benefit rights, and the Fund will also file a notice with the government so that the Social Security Administration can remind you at a future time of your deferred pension rights under this plan.

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INTRODUCTION

The National Automatic Sprinkler Metal Trades Pension Fund was established as a result of the collective bargaining agreements between the National Fire Sprinkler Association and other signatory employers and the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, AFL-CIO. The Plan is financed solely by employer contributions. Employees do not contribute to the Plan.

The Pension Fund is administered by a Board of Trustees made up of an equal number of individuals appointed by the Union and the Employers. They serve without pay. The Pension Fund is a separate trust fund for the purpose of paying the benefits provided under the Plan. The Plan has been qualified by the Internal Revenue Service.

As you read this booklet, you will want to keep the following in mind:

- A Pension from this Plan is in addition to any Social Security benefits you may receive.
- There is no mandatory retirement age.
- You can retire with a pension at any time after age 55, if you have earned 10 Pension credits, including at least 3 Future Service Credits.
- Generally, you must send in an application before payments can start.
- There are special provisions for disability benefits.
- Always remember to keep your beneficiary designation current with any changes in your personal situation.
- You have the right to submit to the Trustees for their consideration any questions or administration of the Plan.

PARTICIPATION AND CONTRIBUTIONS

REQUIREMENTS FOR PARTICIPATION (ARTICLE 2)

You are covered by the Pension Plan if you are an employee working in "Covered Employment". Covered Employment is employment that is the subject of a collective bargaining agreement between an Employer and a participating Union, or a participation agreement between an Employer and the Fund, that provides for contributions to the Pension Fund.

You become a Participant on the earliest January 1st or July 1st after a period of twelve consecutive months in which you perform at least 950 Hours of Service as defined by the Plan. Once you become a Participant, you will receive Vesting Service and Pension Credit retroactive to your date of hire.

PAYMENT OF CONTRIBUTIONS

All contributions to the Pension Plan are made by Employers who are required by a collective bargaining agreement or a participation agreement to make these contributions on behalf of their employees, unless the Pension Fund has terminated their status as a Contributing Employer. Employees are neither required nor permitted to make contributions to the Plan.

The Fund Office maintains a record of the hours you work and the Pension Credits you have earned. You may review you record either in person or by calling the Fund Office during regular business hours.

The hours recorded on your payroll stubs should be the same as the hours your Employer reports to the Fund Office. A copy of the hours reported to the Fund Office will be sent to you after the end of each year. Be sure to save all of your payroll stubs for the year and compare them to this report. If there is a difference in the hours reported on your payroll stubs and the hours listed on the annual report, please contact the Fund Office.

EFFECT OF CHANGING JOBS

It is possible to switch back and forth between employers or work for several employers without losing credit, as long as all of your employers are required to contribute to the Pension Fund on your behalf. However you may be denied credit subject to the rules as stated in the Plan. If you are no longer working for a contributing employer, you should carefully read the section entitled "Losing Pension Credits and Years of Vesting Service" on page 6.

SERVICE

SERVICE: EARNING CREDIT FOR A PENSION (ARTICLE 4)
The years you have worked in Covered Employment determine your eligibility for a pension, and the amount of your pension benefit at retirement.

Covered Employment is work for an Employer who has agreed to make contributions to the Pension Fund on your behalf. In addition, each year of work for an Employer before contributions began can be considered Covered Employment. Hours in Covered Employment include all time for which you are entitled to pay from a Contributing Employer.

PAST SERVICE: PENSION CREDIT FOR SERVICE BEFORE CONTRIBUTIONS BEGAN (SECTION 4.02)
You may earn Past Service Pension Credit for hours worked in Covered Employment before contributions began on your behalf. In order to qualify for Past Service Credit, you must have earned, from a Contributing Employer, an amount equal to the lesser of 25 percent of the Social Security base earnings or $5,000 in each of the two Calendar Years immediately prior to the Calendar Year of the Employer's Contribution Date. However, an Employee who proves, on the basis of medical evidence satisfactory to the Trustees, that his failure to earn the required amount during one of the two Calendar Years was due to total disability need not meet the requirements of this rule; provided, that such Employee had earned the required amount in the other Calendar Year under the conditions set forth above. In addition, an Employee will not be required to satisfy the two-year test rule if he left employment with a Contributing Employer to enter military service during the two Calendar Years immediately prior to the Calendar Year of his Employer's Contribution Date.

Past Service Credit may be denied, reduced or modified if the Trustees determine, based on a review of relevant information, including employer records and the records of the Social Security Administration, that you do not satisfy the requirements above and you do not fall within the disability or military service exceptions described above. It is important to note that if your Local Union or an Employer for whom you have worked in Covered Employment terminates its participation in the Fund, the Trustees have the authority to cancel any Pension Credits you may have earned for employment before contributions began.

If you qualify for Past Credit Service, for years before contributions were first made on your behalf, you are credited with one Pension Credit for each calendar year in which you worked in Covered Employment and earned an amount equal to the lesser of 25 percent of the Social Security base earnings in those years or $5,000. A maximum of twenty Past Service Pension Credits may be given.

FUTURE SERVICE: PENSION CREDIT FOR SERVICE AFTER CONTRIBUTIONS BEGAN (SECTION 4.04)
You earn Future Service Pension Credit for hours worked in Covered Employment after contributions began. You will be given one Pension Credit for each calendar year in which you work at least 1,700 hours in Covered Employment. You will be credited with a partial Pension Credit if you work fewer than 1,700 hours, as shown in the following table:

Hours You Work in Covered Employment During a Calendar Year	Pension Credit for the Calendar Year
1,700 or more	1.0
1,550 or more but fewer than 1,700	.9
1,400 or more but fewer than 1,550	.8
1,200 or more but fewer than 1,400	.7
1,000 or more but fewer than 1,200	.6
950 or more but fewer than 1,000	.5
750 or more but fewer than 950	.4
550 or more but fewer than 750	.3
350 or more but fewer than 550	.2
Fewer than 350	None

You will not receive more than one year of Pension Credit in any one Calendar Year.

VESTING SERVICE AND BECOMING VESTED UNDER THE PLAN (ARTICLE 4)
Vesting Service is a special measure of time spent under Plan coverage that is used to determine your eligibility for a pension. You earn one year of Vesting Service for each calendar year (after contributions begin on your behalf) during which you work at least 950 Hours of Service[1] in Covered Employment. Vesting Service is granted in full years only. There are no provisions for granting partial years of Vesting Service if you work fewer than 950 Hours of Service in a calendar year.

You are also entitled to Vesting Service for certain periods in which you are not working in covered employment. Periods of absence from Covered Employment will be credited as if they were periods of work in Covered Employment and at a rate of 35 hours a week for each week you receive a state Workers Compensation Benefit, up to a maximum of 1,700 hours lifetime.

[1] An Hour of Service is any hour for which you are paid or entitled to payment for the performance or non-performance of duties during the calendar year, or for which back pay is awarded, or agreed to by an employer. This excludes any time you are paid under a workers' compensation or unemployment compensation law, or a plan adopted to comply with a mandatory disability benefits law. It also excludes any hours of non-work time in excess of 501 hours in any one calendar year. Two periods of paid non-work time are considered continuous if the reason (e.g., disability) you are paid for both is the same and the periods are not separated by more than ninety days.

Vesting Service and Pension Credit are related since they are usually earned at the same time. If contributions are required to be made to the Fund on your behalf, then you are accumulating both Vesting Service and Pension Credit for each hour reported. Since a year of Vesting Service requires only 950 hours in a calendar year, as opposed to 1,700 hours for a full Pension Credit, you may earn Vesting Service at a faster rate than you earn Pension Credits.

BECOMING VESTED UNDER THE PLAN (SECTION 3.07)

Once you are vested under the Plan you are entitled to a pension regardless of whether or not you continue to work in Covered Employment until retirement. If you complete more than one Hour of Service on or after January 1, 1997, you have the right to a Vested Pension at Normal Retirement Age if you have at least five years of Vesting Service with a Contributing Employer which have not been cancelled by a permanent Break in Service. You may also become vested under the Plan by earning ten Pension Credits, as long as three Pension Credits were earned after contributions began.[2]

For a description of the pension benefits to which you could be entitled if you achieve vested status and leave Covered Employment prior to reaching retirement age, please refer to the section entitled "Vested Pension" on page 12.

CREDIT FOR TIME SPENT IN MILITARY SERVICE

Vesting Service and Pension Credits will be given for time spent in the Armed Forces, provided you leave Covered Employment for military service and make yourself available to return to Covered Employment within the time prescribed by law. Pension Credit and Vesting Service will be given only to the extent required by law.

CREDIT FOR LEAVE UNDER THE FAMILY AND MEDICAL LEAVE ACT OF 1993

The Family and Medical Leave Act (FMLA) entitles eligible employees to take up to 12 weeks of unpaid job protected leave each year for the employee's own illness, or to care for a seriously ill child, spouse or parent. The FMLA also provides leave for an eligible employee for a "qualifying exigency" arising out of the fact that the spouse, or a son, daughter, or parent of an eligible employee is on covered duty (or has been notified of an impending call or order to active duty in the Armed Forces. In addition, the FMLA provides leave for the birth or placement of a child with the employee in the case of adoption or foster care. Employees eligible for leave under the FMLA are those who have been employed at least 12 months by the employer. An employee at a work site at which there are less than 50 employees is not eligible for FMLA leave unless the total number of employees within a 75 mile radius of the employee equals or is greater than 50.

The FMLA also permits a spouse, son, daughter, parent or next of kin to take up to 26 workweeks of leave to care for member of the Armed Forces who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status or is otherwise on the temporary disability retired list, for a serious injury or illness.

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[2] If you do not have more than one Hour of Service on or after January 1, 1997, you are vested once you have earned ten years of Vesting Service. Beginning January 1, 1989, Participants who are not covered by a collective bargaining agreement are required to have five year of Vesting Service to be vested under the Plan. You should contact the Fund Office if you have any questions.

Eligible employees are entitled to credit for vesting purposes under the pension plan while on leave. You will receive that amount of vesting credit necessary to insure that you do not sustain a Break in Service for the period during which you are on FMLA leave. If you have any questions about the FMLA, you should contact your employer or the nearest office of the Wage and Hour Division, listed in most telephone directories under the U.S. Government, Department of Labor, Employment Standards Administration.

LOSING PENSION CREDITS AND YEARS OF VESTING SERVICE

Once you are vested under the Plan as previously described, you do not lose your Pension Credits or years of Vesting Service, regardless of the length of time you are away from Covered Employment. However, before you have earned vested status, all Pension Credits, and Vesting Service will be temporarily or permanently lost if you separate from Covered Employment before you are vested. This happens when you have a Break in Service. The rules on Breaks in Service are as follows:

- **One-Year Break in Service** (Section 4.06(b))
  - You have one-year Break in Service if you do not complete at least two-tenths of a Pension Credit in any calendar year after 1975.
- **Permanent Break in Service after December 31, 1985** (Section 4.06(a))
  - After 1985, if you have earned from one to five years of Vesting Service, you cannot have a Permanent Break in Service until the number of your consecutive one-year Breaks in Service equals five. If you have at least six but less than ten years of Vesting Service, you have a Permanent Break in Service when the number of your consecutive one-year Breaks in Service equals your previously earned years of Vesting Service.
- **Permanent Break in Service after December 31, 1975, but before January 1, 1986** (Section 4.06(c))
  - You had a Permanent Break in Service if you were not vested and had consecutive one-year Breaks in Service, including at least one after 1975 but before 1986, that equaled your previously earned years of Vesting Service. For example, suppose you had earned three years of Vesting Service, then were inactive and had three consecutive one-year Breaks in Service. At that point, all of your previously earned Pension Credits and Vesting Service, as well as any hours in your Hour Bank would have been permanently canceled.
- **Permanent Break in Service (Past Service Credit)** (Section 4.03)
  - If your employment with a Contributing Employer during the period prior to the Contribution Date was interrupted by two consecutive Calendar Years in which you failed to earn an amount equal to the lesser of 25 percent of the Social Security base earnings or $5,000 in each of two consecutive years, you will have incurred a break in Past Service and all previously earned credit will not be credited.

- **Effect of a Permanent Break in Service** (Section 4.6))

    - If you are not vested under the Plan and have a Permanent Break in Service your previous Pension Credits and years of Vesting Service are permanently canceled.

- **Exceptions.** There are certain exceptions to the Plan's rules governing Breaks in Service. Even though you are not working in Covered Employment, you do not suffer a Permanent Break in Service based on periods for which:

    - you are engaged in service with the Armed Forces of the United States and are credited with service for purposes of this Plan prescribed by law; (Section 4.06(f))

    - you are disabled to the extent that you cannot work and that fact is established to the satisfaction of the Trustees; (Section 4.06(e))

    - you are away from Covered Employment because of (1) your pregnancy, (2) the birth of your child, (3) the placement of a child with you in connection with adoption, or (4) the care for such child for a period beginning immediately after such birth or placement. You will be credited with a maximum of 501 Hours of service for parental leave to prevent a one-year Break in Service. (Section 4.06(h);

    - you are not working because you are on family or medical leave under the Family and Medical Leave Act; or

    - you are otherwise entitled to Pension Credit or Vesting Service under the Plan.

BREAKS IN CONTINUITY AND THEIR EFFECT ON CALCULATING BENEFITS (SECTION 6.06(c))

If you do not earn at least two-tenths of a Pension Credit during any period of two consecutive calendar years and Pension Credits are not forfeited because of a Permanent Break in Service as discussed earlier (see page 7, you may be subject to a Break in Continuity. If a Break in Continuity occurs, your pension benefit may be calculated using more than one benefit rate.

If you have a Break in Continuity, your Pension Credits earned before the Break in Continuity will be multiplied by the benefit rate in effect when you last earned Pension Credit before the Break in Continuity. Any Pension Credits earned after the Break in Continuity will be multiplied by the benefit rates in effect during the last Plan Year in which you earned at least two-tenths of a Pension Credit. If you retire before the end of the Plan Year immediately following the last Plan Year in which you earned at least two-tenths of a Pension Credit, you will get the benefit rate in effect at the time of your retirement. If you retire at a later date (after the end of the Plan Year immediately following the year in which you last earned Pension Credit), you will receive the rate in effect when you last earned Pension Credit.

A Break in Continuity will not occur during any period that you are away from Covered Employment if:

- you retire on a Disability Pension, but recover and return to work under the Plan within one year of recovery and earn at least one additional year of Vesting Service (Section 6.06(c)).

- you are receiving workers compensation benefits, or are disabled. (You must supply evidence of disability to the satisfaction of the Trustees.) (Section 6.06(c)).

- you spend time in the Armed Forces of the United States, but return to work following your discharge within the time prescribed by applicable federal law. (Section 6.06(c)).

PENSIONS

TYPES OF PENSIONS
Four types of pensions are provided under the Plan. They are:

- Regular Pension
- Early Retirement Pension
- Vested Pension
- Disability Pension

The type of pension determines the manner in which your pension is calculated, and which eligibility rules apply.

Several payment options offered by the Plan govern the distribution of pension benefits. These are discussed in the section beginning on page 15.

In general, your monthly pension benefit will be based on the benefit rates in effect when you last earned Pension Credit under the Plan. However, if a Break in Continuity occurs, more than one rate may be used to calculate your benefit.

In addition, if you stop working and decide to retire at a later date, you will not be entitled to any increase in the benefit rates that may occur after you stop working.

REGULAR PENSION
Eligibility - You are eligible to retire on a Regular Pension under Plan A if you are age 62 or older and have at least 10 Pension Credits, three of which are Future Service Credits. Under Plan B, You are eligible to retire on a Regular Pension if you are age 65 or older and have at least 10 Pension Credits, three of which are Future Service Credits.

Amount – The rates in the following tables are used to calculate the amount of a Regular Pension. The number of pension credits you earn, whether the Pension Credits are Plan A or Plan B credits, and the last year you earned credit determine the amount of your monthly benefit.

Plan A

Current contribution rate - $0.65

If you last earned credit	Past Service	Future Service Before 1990	Future Service After 1989
Before 1977	$ 5.00	$ 8.00	
During 1977 or 1978	7.50	12.00	
During 1979, 1980 or 1981	10.00	14.50	
During 1982	10.00	16.50	
During 1983	10.00	18.50	
During 1984, 1985 or 1986	10.00	20.50	
During 1987	22.00	22.00	
During 1988	23.00	23.30	
During 1989	23.00	24.44	
During 1990 thru 1996	23.00	24.44	$ 20.50
		Future Service Before 1997	Future Service After 1996
During 1997	23.00	24.44	20.50
		Future Service Before 1998	Future Service After 1997
During or after 1998	23.00	34.44	20.50
		Future Service Before 1999	Future Service After 1998
During or after 1999	23.00	39.00	20.50

Plan B
Current contribution rate - $0.35

If you last earned credit	Past Service	Future Service Before 1990	Future Service After 1989
Before 1977	$ 5.00	$ 8.00	
During the period 1977 through 1986	7.50	12.00	
During 1987	12.00	12.00	
During 1988 and 1989	13.00	13.30	
During 1990 thru 1996	13.00	13.30	**$ 12.00**
		Future Service Before 1997	Future Service After 1996
During 1997	13.00	13.30	**$ 12.00**
		Future Service Before 1998	Future Service After 1997
During 1998	13.00	20.30	**$ 12.00**
		Future Service Before 1999	Future Service After 1998
During 1999	13.00	23.00	**$ 12.00**

EARLY RETIREMENT PENSION

Eligibility - You are entitled to retire on a Early Retirement Pension if you are age 55 or older and have at least 10 Pension Credits, three of which are Future Service Credits. (Section 3.06)

Amount - The monthly amount of the Early Retirement Pension is calculated in the same way as the Regular Pension, but it is reduced to take into account the longer period of time over which benefits will be paid. The monthly reduction is 1/2 of 1% for each month that you are younger than 65 under Plan B. (Section 3.06). The monthly reduction is 1/4 of 1% for each month that you are younger than 62 under Plan A. (Section 3.06).

VESTED PENSION

Eligibility- You are eligible for a Vested Pension at any age if you cease to be employed in a job covered by the Plan; you completed more than one Hour of Service on or after January 1, 1996 and have at least five years of Vesting Service[3], all five of which have been earned after contributions to the Plan began on your behalf. If you last worked prior to 1996, ten years of vesting service was required for vested status. Pension payments will generally begin at age 65. However, if you have earned enough pension credits to be eligible for a Regular or an Early Retirement Pension, you can start receiving your pension as early as age 55. (Section 3.07)

Amount - The Vesting Pension is calculated the same way as the Regular Pension (unless you are entitled to an Early Retirement Pension, in which case your benefit will be reduced the same as the Early Retirement Pension).

DISABILITY PENSION

Eligibility - You may retire on a Disability Pension if before reaching age 65 you become permanently and totally disabled, **and**

> qualify for and receive a Social Security Disability Award; **and**
> you worked in Covered Employment for at least 950 hours in the period consisting of the calendar year during which you became disabled and the previous calendar years; **and**
> you earned at least 10 Pension Credits, three of which are Future Service Credit. (Section 3.09).

The date your disability began is the Date of Entitlement stated on your Social Security Disability Award. The effective date of your Disability Pension is the first day of the month following the receipt of a pension application by the Fund Office. In order to avoid any delays, you should apply for a Disability Pension as soon as possible after the date you receive your Social Security Award.

If your request for Social Security benefit is denied, you can continue to work under the Plan while you contest the denial. If you are successful in receiving Social Security benefits, you will receive credit for all work after the Date of Entitlement to such benefits.

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3 Beginning January 1, 1989, Participants who are not covered by a collective bargaining agreement are required to have five years of Vesting Service to be vested under the Plan.

The Disability Pension will continue for life, provided you remain totally and permanently disabled. You may not work at all while receiving a Disability Pension unless you are performing work that the Trustees have previously determined to be for purposes of rehabilitation. In addition, you may arrange to temporarily terminate your Disability Pension for up to three months to return to any type of employment on a trial basis.

After you are age 65, you are subject to the same suspension of benefits rules for certain employment that apply to any other type of pensioner under the Plan (see page 26).

If your Social Security Entitlement Date is before January 1, 1984, special rules may apply. Please contact the Fund Office for more information.

Amount - The monthly amount of the Disability Pension is determined in the same manner as the Regular Pension, and is based on the number of Pension Credits earned to the date of disability.

Because the Social Security Entitlement Date is generally before the date you receive your first Social Security payment (and thus the effective date of your Disability Pension payment from this Plan is delayed), your first monthly benefit payment from this Plan will be equal to your monthly benefit amount plus an additional lump sum. Your amount may be modified based upon when your Pension Application has been received by the Plan. Please contact the Fund Office for more information. Where the effective date of the Disability Pension is **on or after January 1, 1980**, the lump sum amount in your first monthly benefit payment will be equal to the monthly benefit times the number of months between your Social Security Entitlement Date and the effective date of your pension under this plan. Where the effective date of the Disability Pension is **on or after January 1, 1975 but before January 1, 1980**, the lump sum amount in your first monthly benefit payment will be equal to the monthly benefit amount times the number of months between the effective date of your pension and January 1, 1996. (Section 3.11.)

Disability Pension and Early Retirement Pension. If you have made an application for a Disability Pension and are waiting on a determination your total and permanent disability from the Social Security Administration, you can make an application for Early Retirement Pension and if you are eligible under the Plan, begin receiving Early Retirement Pension. If you later receive a Social Security Award of total and permanent disability within two years of the Early Retirement Pension and forward this Award within ninety (90) days of receipt, and you otherwise qualify for the Disability Pension, you may be entitled to the difference between the amount of the Disability Pension payable from this Fund and the benefits received, beginning on the later of the effective date of the Social Security Award or the date of application for a Disability Pension.

RECOVERY FROM DISABILITY (SECTION 3.12)

If you recover from your disability or lose your entitlement to Social Security Disability Benefits while receiving a Disability Pension, your must notify the Trustees of your recovery in writing within twenty-one days. Upon such notification, your pension will be stopped. You can then convert your Disability Pension to a Regular, Vested, or Early Pension, when you meet the applicable age and service requirements. This may be done immediately or when you reach the required age. You may not, however, elect a different payment option when you convert. Any percentage increases in your benefits that were granted during the period while you received a Disability Pension will be applied to recalculate your benefit. The Early Retirement reduction will apply when your benefit is converted.

If you attempt to return to work under the Plan but return to disability status within three months, you will not be required to resubmit a pension application to obtain approval for further benefits. A return to disability status, of course, still requires eligibility for Social Security Disability benefits.

If the actuarial present value of your Disability Pension is $5,000 or less, the Trustees will pay that benefit in a lump sum regardless of any prior elections or provisions to the contrary.

STANDARD PAYMENT FORMS

HUSBAND-AND-WIFE PAYMENT FORM (Article 5)
Unless you and your spouse reject this form in writing before a Notary Public or Plan representative, the Plan pays your pension in the Husband-and-Wife payment form when you retire if:

- the effective date of your pension is on or after January 1, 1985,
- you worked in Covered Employment on or after January 1, 1976, and
- you are married at the time benefits begin.

Before your pension starts, the Plan is required to give you an explanation of the various payment options available under the Plan and how they affect the amount of your benefit. After you receive this information, you and your spouse will have at least 30 days to decide in what form you want your pension paid. You and your spouse can reject the Husband-and-Wife payment form at any time after you receive this information, but no more than 180 days before your pension effective date.

Under the Husband-and-Wife payment form, you will receive a fixed monthly amount for life, and your surviving spouse will receive a lifetime benefit equal to 50% of the amount you were receiving during retirement. The monthly amount of the pension you receive during retirement will be reduced, because your pension is also intended to protect your spouse for life, if he or she survives you. The reduction depends on the age difference between you and your spouse and whether you retired on a disability or non-disability pension, as follows:

Non-Disability Husband-and-Wife Pension – The amount of a non-disability pension is multiplied by 89% if you and your spouse are less than one year different in age. For each full year your spouse is older than you, the 89% multiplier factor is increased by .4%. For each full year your spouse is younger than you, the 89% multiplier factor is decreased by .4%. In any case, your benefit cannot be greater than 99% of your original pension amount. (Section 5.02(b)(1))

> *For example:*
>
> Ralph is age 62 and eligible for a Regular Pension of $500 per month. His wife is age 58 and they do not reject the 50% Husband-and-Wife payment form. Ralph's Regular Pension would be adjusted as follows:
>
> $500 x 87.4% (spouse's age adjustment) = $437.00
>
> In this example, the 50% Husband-and-Wife multiplier factor was adjusted from 89% to 87.4% because Ralph's wife is four years younger than Ralph. (89% - (4 times .4% or 1.6%) = 87.4%). In this example, Ralph will get $437 per month for the rest of his life and 50% of that amount ($218.50) will be payable to his wife after his death, if she survives him.

Disability Pension – The amount of a non-disability pension is multiplied by 79% if you and your spouse are less than one year different in age. For each full year your spouse is older than you, the 79% multiplier factor is increased by .4%. For each full year your spouse is younger than you, the 79% multiplier factor is decreased by .4%. In any case, your benefit cannot be greater than 88% of your original pension amount. (Section 5.02(b)(2)).

> *For example:*
> Assume George is age 56 and eligible for a Disability Pension of $485 per month. Remember, the Disability Pension is calculated the same way as the Regular Pension, regardless of your age when you become disabled. For this example, assume that George's wife is also age 56, and that he and his wife do not reject the 50% Husband-and-Wife payment form. His disability Pension would be adjusted as follows:
>
> $485 x 79% (automatic adjustment) = $383.15
>
> In this example, George will receive $383.15 per month for life, or for as long as he remains eligible for a Disability Pension, and 50% of that amount (or $191.58) is payable to his wife for life after this death, if she survives him. There is no reduction other than this automatic adjustment because he and his wife are the same age.

ADDITIONAL REQUIREMENTS

For the Husband-and-Wife payment form to be in effect, you and your spouse must have been married to each other throughout the one-year period ending on the earlier of the date your pension benefits begin or the date of your death. However, if you marry less than one year before the date pension payments begin and you and your spouse have been married for at least a one-year period ending on or before your date of death, then you and your spouse will be considered as having been married throughout the one-year period ending on the effective date of your pension.

You cannot revoke the Husband-and-Wife payment form after your pension payments begin. The benefit payable to your surviving spouse under the Husband-and-Wife payment form will begin on the first of the month following your death, even if you retired on a Disability Pension before you reached 55 years of age. Once your pension begins in the Husband-and-Wife form, the amount you receive will not be increased if you and your spouse are later divorced. Your former spouse is treated as your spouse unless a Qualified Domestic Relations Order provides otherwise. Any rights of a former spouse under the Qualified Domestic Relations Order will be honored.

A Qualified Domestic Relations Order is a judgment, decree or order (including approval of a property settlement agreement) made under a state domestic relations law which relates to provision of child support, alimony, or marital property rights of a spouse, former spouse, child or other dependent. To be considered "qualified" by the Plan, the order must meet certain requirements. Please contact the Fund Office if you need more information.

PLEASE REMEMBER THAT, IF YOU ARE MARRIED, THE HUSBAND-AND-WIFE PAYMENT FORM WILL TAKE EFFECT AUTOMATICALLY, UNLESS YOU AND YOUR SPOUSE REJECT IT IN WRITING AND HAVE THE WAIVER WITNESSED BY A NOTARY

PUBLIC. ONCE YOU RECEIVE THE REQUIRED INFORMATION FROM THE FUND OFFICE, YOU MAY JOINTLY REJECT THIS FORM OF PAYMENT AT ANY TIME DURING THE 180-PERIOD BEFORE YOUR PENSION BEGINS.

Please also note that an individual that is the same sex as the Participant will not be treated as Participant's spouse for the purposes of this Plan.

SINGLE LIFE PENSION WITH 36-PAYMENT GUARANTEE (SECTION 5.07)
If you are single (or you and your spouse have properly rejected the Husband-and-Wife form) and have elected no other optional form of benefit payment, the lifetime Regular or Early Retirement pension benefit payable to you is subject to a 36 month-Payment Guarantee. If you die before you have received 36 monthly payments, your monthly payment will continue to be paid to your designated beneficiary until both of you have received a combined total of 36 monthly payments. The 36-payment guarantee does not apply to Disability or Vested Pension. Such a pensioner who does not elect an available optional form of benefit payment will receive a pension for his or her lifetime, with payment ending on the participant's death.

OTHER OPTIONAL FORMS OF PAYMENT
Single participants and you have properly rejected the Single Life Pension with 36-payment guarantee and married Participants who have properly rejected the Husband-and -Wife form of benefit payment, may elect in writing an optional form provided in the Plan. Each Participant and Spouse will be notified by the Plan of the eligibility conditions and other material features of the form of benefits available to you.

DEATH BENEFITS

PRE-RETIREMENT SURVIVING SPOUSE PENSION (SECTION 5.03)
If, as of your date of death, you are vested under the Plan but haven't yet retired, your surviving spouse will be entitled to a Pre-retirement Surviving Spouse Pension. The amount of the benefit payable to your surviving spouse is based on the monthly benefit you were eligible to receive at your death. Your surviving spouse will be entitled to a pension determined as if you had retired the day before your death on a pension payable in the Husband-and-Wife payment form (refer to the section entitled "Husband-and-Wife Payment Form" on page 15).

If you die before age 55, your monthly benefit will be calculated as if you had stopped working on the day of your death, lived to and retired at age 55, and died the next day. If you die after age 55, your monthly benefit will be based on your actual age at death.

The Pre-retirement Surviving Spouse Pension is payable to your surviving spouse on the first day of the month following your death. Your spouse can elect in writing to have benefits begin at a future date, but not after the later of the December 31st of the year in which you would have been age 70½ or the December 31st of the calendar year immediately following the calendar year in which you died.

For the Pre-retirement Surviving Spouse Pension to be effective, you and your spouse must have been married to each other for at least a one year period ending on your date of death.

BENEFIT PAYMENT OPTIONS

As discussed on page 15, if you are married, the standard form of payment for all types of pensions is the Husband-and-Wife payment form. However, if both you and your spouse formally reject the Husband-and-Wife payment form in writing and have your signatures witnessed by a Notary Public (or a Plan Representative), together you may choose from other payment options. If you are single at retirement, you may choose a form of payment other than the lifetime benefit. The available payment options are discussed below.

JOINT LIFE AND SURVIVORSHIP OPTION (SECTION 5.08)
If you are eligible to receive a Regular or Early Retirement Pension, you may choose for your beneficiary, your spouse or someone else, to receive a lifetime benefit equal to 100% of the reduced amount you have been receiving during retirement. **This option is not available to Participants who retire on a Disability Pension.**

If you elect the Joint and Life Survivorship option, it will not take effect until twelve months after you have made this election. If you decide to retire before this twelve month period has elapsed, you will receive your Regular or Early Retirement Pension in the Husband-and-Wife form if you are married and if applicable, otherwise you will receive the 36-month guarantee form until the option is effective. The amount that you will receive as of the effective date of the option will be reduced as follows:

> The amount of the Regular or Early Retirement Pension is first multiplied by 80%. For each full year your beneficiary is older than you, the 80% multiplier factor is increased by .6%. For each full year that your beneficiary is younger than you, the 80% multiplier factor is decreased by .6%. In any case, your benefit may not be greater than 96% of your original pension amount.

If you choose a beneficiary other than your spouse to receive this benefit and the beneficiary is more than ten years younger than you, your benefit may be reduced somewhat because of IRS regulations. If this applies to you, the Fund Office will let you know.

The option will not take effect if you or your beneficiary dies before the first payment. Otherwise, if your beneficiary dies after the effective date of the option, you will continue to receive the reduced amount for the remainder of your lifetime.

You may also choose a 75% Joint Life and Survivorship Option. After January 1, 2008, if you are eligible to receive a Regular, Early Retirement or Disability Pension you may elect by written application filed with the Trustees, a Joint-Life and Survivorship Pension providing a reduced monthly benefit to be paid as you live after the Effective Date of your pension, with 75% of the reduced monthly retirement benefit to be continued after the death of your surviving Qualified Spouse during that person's lifetime. The amount that you will receive as of the effective date of this option will be reduced as follows:

(A) <u>If the Participant's pension is not a Disability Pension</u>, the percentage will be 84% plus 0.5% for each full year that the Spouse is older than the Participant and minus

0.5% for each full year that the Spouse is younger than the Participant; provided, however, that the resulting percentage may not be greater than 97%.

(B) <u>If the Participant's pension is a Disability Pension</u>, the percentage will be 71% plus 0.5% for each full year that the Spouse is older than the Participant and minus 0.5% for each full year that the Spouse is younger than the Participant; provided, however, that the resulting percentage may not be greater than 83%.

Once payments have begun, the 75% Joint Life and Survivorship Option may not be revoked nor the Pensioner's benefits increased by reason of subsequent divorce or death of the Spouse before that of the Participant.

TEN YEAR GUARANTEED OPTION

If you are eligible to receive a Regular or Early Retirement Pension, you may choose to receive payment for life in a reduced monthly amount, and if you die before receiving 120 payments, your beneficiary will continue to receive payments in the reduced amount until 120 payments have been made.

The amount of the Regular or Early Retirement Pension is first multiplied by 92% plus .5 for each year you are younger than age 65 when the benefit is first payable, or minus 1.0 percentage points for each year you are over age 65 when the pension benefit is first payable. Your benefit may be further reduced in certain circumstances due to IRS regulations. If this applies to you, the Fund Office will let you know.

EFFECT OF WORK AFTER RETIREMENT ON PAYMENT OPTIONS (SECTION 6.09)

If you retire before Normal Retirement Age and return to Covered Employment, you can elect a different payment form for any additional benefits you earn during your return, unless you earn at least three consecutive years of Vesting Service after you return. If this is the case, you will be allowed to elect a different payment form for all of benefits, including those earned before you return.

Once you have retired at or after Normal Retirement Age, any additional benefits you earn when you return to work will be paid in the form you elected when you retired after Normal Retirement Age, unless you earn at least three consecutive years of Vesting Service after you return. If this is the case, you will be allowed to elect a different payment form for all of your benefits including those earned before your return.

The following special rules also apply:

- If you rejected the 50% Husband-and-Wife payment form at retirement, the surviving spouse protection for active employees will be restored until the January 1st after you complete a year during which you work 950 hours or more.

- If you chose any of the other optional forms of payment described above, you will not be entitled to the surviving spouse protection for active employees.

- If you elected the 36 month-payment guarantee, its protection stops when you requalify for death benefits for active employees (350 hours of work in a calendar year). The guarantee will be in force when you retire again, but the payments made during your first retirement count toward the 36 payments.

- The 36 month-payments guarantee is always based on all pension payments you ever receive from this Fund, even if you change your option when you retire again.

BENEFICIARY DESIGNATION (SECTION 7.10)
You may designate one or more people as a Beneficiary to receive the benefits, if any, provided under section 5.08 by forwarding an application form to the Fund Office. An unmarried Participant may change this beneficiary at any time without the consent of the beneficiary. A married Participant may change the designated beneficiary only with the consent of their spouse. The Trustees, however, will pay benefits based on the most recent designation that was received by the Fund Office prior to the date benefit payments are to begin. If you do not designate a beneficiary, or if your beneficiary dies before you or before receipt of benefits, the benefit will be paid to the first of the individuals in the order listed:

- According to the most recent properly executed beneficiary from the National Automatic Sprinkler Metal Trades Welfare Fund or any other sprinkler local welfare fund; then

- Your surviving spouse; then

- Your surviving children; then

- Your surviving natural parents.

If none of these beneficiaries are living, no benefit will be paid.

Neither you nor your beneficiary may assign benefit payments. You and your beneficiary's payments may be reduced, however, pursuant to a judgment, order, decree entered into after August 5, 1997 where the Participant has committed a breach of fiduciary duty against the Plan or committed a criminal act against the Plan.

If a designated beneficiary has not yet accepted any portion of Plan benefits, a beneficiary may disclaim those benefits if he signs and delivers to the Fund Office a written disclaimer of Plan benefits which meet the conditions stated in the Plan. In addition, an alternate payee under a qualified domestic relations order may revoke or waive benefits if, among other things, the alternate payee completely revokes the benefits previously awarded to the alternate payee by a qualified domestic relations order. Such an order will only have a prospective effect. More information regarding a disclaimer and a revocation by an alternate payee can be obtained at the Fund Office.

If the present value of any pension benefit payable under this Plan, including Death Benefits, is $5,000 or less, the Trustees will pay that benefit in a lump sum regardless of any prior elections or provisions to the contrary.

SOCIAL SECURITY, MEDICARE, AND INCOME TAX

The pension benefit that you are eligible to receive from this Plan is paid to you in addition to any Social Security benefits you may also be entitled to receive.

SOCIAL SECURITY AND MEDICARE

Employees born in 1960 or later will be eligible for full Social Security benefits at 67 years of age or reduced benefits at 62 years of age. Those born before 1960 will be eligible to receive full Social Security Benefits somewhat earlier than age 67, depending on their year of birth. Regardless of the age you are eligible for full Social Security benefits, the earliest retirement age for reduced benefits will be 62. For more information, call your nearest Social Security Office and ask for a current booklet which explains the benefits. You will be eligible for Medicare at 65 years of age, regardless the age you become eligible for full Social Security benefits.

PENSION BENEFITS AS TAXABLE INCOME

Benefits from the NASI Metal Trades Pension Fund ARE taxable. You will receive from the Fund Office each year a 1099-R form showing the benefits paid to you.

If you are totally and permanently disabled, a portion of your Disability Pension from the Plan may be excluded from taxable income, but this exclusion is reduced if family taxable income exceeds a certain dollar amount per year. You should seek professional or IRS advice on taxes if this might apply to you.

Plan distributions which are not eligible rollover distributions (described below) are subject to elective Federal tax withholding. Recipients of periodic distributions (monthly pension) may elect to have their withholding according to the tax table for their stated dependent situation, to have their withholding according to the tax table for the "standard" dependent situation, to have a specified dollar amount withheld or to have no withholding. Recipients of non-periodic distributions (lump-sum payment) will have tax withheld at a flat 10% unless they elect to have a specified dollar amount greater than 10% withheld or to have no withholding.

DIRECT ROLLOVERS OF BENEFIT PAYMENTS AND TAX WITHHOLDING REQUIREMENTS

If you receive a form of lump sum distribution from this Plan on or after January 1, 1993, which is an "eligible rollover distribution" you must request a “direct rollover” of the money to an IRA or another plan that accepts rollover or this Plan is required to withhold 20% of your distribution. You will receive information concerning the rules for mandatory withholding and direct rollover at the time you are eligible for a distribution from the plan. The following is a summary of the tax rules:

Eligible Rollover Distributions

Generally, an "eligible rollover distribution" is any distribution of all or a portion of a lump sum distribution made to a Participant, a Participant's surviving Spouse, or an Alternate Payee. Effective September 1, 2007, an eligible rollover distribution may also be made to non-spouse beneficiaries under certain circumstances. (See “Tax Withholding and Eligible Rollover Distributions” below.) The following distributions from the Plan are eligible rollover distributions:

- Small pension cash-outs to Participants and surviving Spouses.
- Lump-sum portion under Partial Lump-Sum Payment Option.
- Lump-sum death benefits to your surviving Spouse or former Spouse who is an Alternate Payee

Tax Withholding on Eligible Rollover Distributions

You can have all or any portion of your benefit either paid as a direct rollover or paid to you. (Benefits payable to a non-spouse beneficiary can only be made as a direct rollover.) A "direct rollover" is a payment, in full or in part, of an eligible rollover distribution made by the Plan directly to an eligible retirement plan. (A direct rollover to a non-spouse beneficiary must be made to an individual retirement account (“IRA”) or individual retirement annuity that is established for the purpose of allowing a non-spouse beneficiary to receive a direct rollover.) Eligible retirement plans include other tax qualified Pension plans, tax qualified annuities, IRAs, and qualified state and local government plans which accept rollovers. Effective for distributions occurring after December 31, 2007, a Participant or beneficiary receiving an Eligible Rollover Distribution from the Plan may elect to have the distribution paid as a Direct Rollover to a Roth IRA. Neither the Fund Office nor the Trustees is responsible for assuring that the Participant or beneficiary receiving the distribution is eligible to make a rollover to a Roth IRA.

If you choose a DIRECT ROLLOVER:

- Your payment will not be taxed in the current year and no income tax will be withheld.

- Your payment will be made directly to your IRA or, if you choose, to another plan that will accept your rollover.
  - Your payment will be made payable to the trustee of the eligible retirement plan and must identify that it is for your benefit as the named recipient making the election for the direct rollover.

  - Your payment may be sent directly to the trustee of the IRA or other retirement plan that will accept your rollover or a check made payable to the trustee may be given to you for delivery to the trustee.

  - Your payment will be taxed later when you take it out of the IRA or the other plan.

If you choose to have a Plan payment that is eligible for rollover PAID TO YOU:

- You will receive only 80% of the payment, because this Plan is required to withhold 20% of the payment and send it to the IRS as income tax withholding to be credited against your taxes.

- Your payment will be taxed in the current year unless you roll it over. Under limited circumstances, you may be able to use special tax rules that could reduce the tax you owe. However, if you receive the payment before age 59 ½, you also may have to pay an additional 10% tax unless you received your payment as a retirement benefit after age 55 and after you have completely separated from service with employers that contribute to the Plan.

- You can roll over the payment by paying it to your traditional IRA or to another eligible retirement plan that accepts your rollover within 60 days of receiving the payment. The amount rolled over will not be taxed until you take it out of the traditional IRA or employer plan.

- If you want to rollover 100% of the payment to a traditional IRA or an employer plan, **you must find other money to replace the 20% that was withheld.** If you roll over only the 80% that you received, you will be taxed on the 20% that was withheld and that is not rolled over.

Distributions Not Eligible for Rollover

Generally, you cannot roll over any distribution made:

- In a series of equal (or almost equal) periodic payments for

    - your lifetime (or your life expectancy)
    - your lifetime and your beneficiary's lifetime (or life expectancies); or
    - a period of ten years or more.

- a "required minimum payment" beginning the first of the month after the month in which you reach age 70 ½.

The following Plan benefits and payments are NOT eligible rollover distributions:

- Single Life Pension with 120-Payment Guarantee to Participants and Spouses or beneficiaries.
- 100% Joint Life and Survivorship Option to Participants and Spouses or beneficiaries.
- 75% Joint Life and Survivorship Options to Participants and Spouses beneficiaries.
- 50% Husband and Wife Pension to Participants and surviving Spouses Preretirement Surviving Spouse Pension

WORKING AFTER RETIREMENT – SUSPENSION OF BENEFITS (SECTION 6.08)

You are expected to retire from the Sprinkler Industry in order to receive a pension from the Plan.

Working in other industries, regardless of the number of hours or how much you earn, will not affect your pension benefits unless you continue to work in employment for which contributions are made to the NAS Metal Trades Pension Fund.

If you are under 65 years or age, you may not work in any job at all in the sprinkler, plumbing, or pipefitting industry. You may not work as an employee or be self-employed in union or non-union employment in these industries. (Section 6.08(a))

If you are past your 65th birthday, you may not perform any work in the United States of the type that is covered by this Plan. You may not work as an employee or be self-employed in union or non-union employment as a residential sprinkler fitter or in a pipe fabrication shop for more than 39 hours in a month for which you receive a pension. Work for under 40 hours a month is permitted. (Please note, however, that benefits under the NAS Metal Trades Welfare Fund will be suspended for any hours of such work. The NAS Metal Trades Welfare Plan rules should be consulted for a full description of this rule.) The rule also applies to employees who do not retire, but continue to work past age 65. (Section 6.08(b))

"Disqualifying Employment" is defined in the Pension Plan as work:

- In an industry covered by the Plan when you became a pensioner; and
- In the trade or craft in which you were employed and covered by the Plan at any time; and
- In the geographic area covered by the Plan when you became a pensioner

If you are retired, *are under 65 years of age,* and begin working in a job that is considered Disqualifying Employment, your pension benefit will be suspended for each month you work, plus an additional five months. If you do not notify the Fund Office within twenty-one days of the date you begin disqualifying work, your pension will be suspended for an additional six months, making a total of 11 additional months.

If you are retired, *are 65 years of age or older,* and begin working in a job that is considered Disqualifying Employment, your pension benefit will be suspended for each month in which you work forty hours or more. The twenty-one day notice requirement still applies.

As a retiree, you may be asked to periodically sign a statement affirming that you are not working in Disqualifying Employment, or to provide the Fund Office with a complete copy of your Federal Income Tax Return. The Fund will, of course, receive work information if you return to work covered by this Plan. If there is evidence from any source that you are engaged in Disqualifying Employment, or if you refuse to provide the Fund with requested information, the Trustees may suspend you pension. Any errors made in this regard will be corrected as soon as you provide satisfactory information about your actual employment.

If your pension is suspended for months for which you have already received a payment, the amount you owe the Fund will be deducted from your pension when it starts again until the debt is paid in full. However, after you have reached Normal Retirement Age, no more than 25% of your pension check will be deducted (except for the first check following suspension, which may be offset entirely by deductions).

If you return to Covered Employment and earn any additional years of Vesting Service, you will be entitled, upon your return to retirement, to a recalculation of your pension amount, based on any additional earned Pension Credits and your age when benefits resume. Any reduction for an Early Retirement made when you first retired will be adjusted for months during which your benefit was suspended, and/or for which you have already received benefits.

If you stop working in Disqualifying Employment and want to retire again, you must notify the Fund Office, in writing, of the date you last worked in such employment. Your first check upon resumption of benefits will contain the full monthly amount owed to you, less any amounts owed to the Fund, as previously described.

If you receive a notification of suspension that you believe is in error, you may make a written request that the Trustees review the suspension. Your request must be made within 180 days after you are notified of the suspension. You may request the Trustee to consider in advance whether employment you are planning will result in the suspension of your benefit. Such a request must be in writing.

Suspension of benefit rules are subject to Department of Labor Regulation § 2530.203-3 of the Code of Federal Regulations, Title 29.

APPLYING FOR BENEFITS

MAKING APPLICATION (SECTION 6.01)
You must file a written application to receive benefits and such benefits must be filed with the Board of Trustees on an application form that will be provided, upon request, by the Fund Office. Application for retirement must be filed during the month prior to the Effective Date on which you wish to have your pension payments begin. You are encouraged to file as soon as you decide on your intended retirement date, but not earlier than 180 days before your intended retirement date. Early filing will avoid a delay in the processing of your application and the start of payment of benefits.

WHEN BENEFITS BEGIN (SECTION 6.05)
Generally, your pension benefits will begin on the first day of the first month after you have met all requirements for entitlement to benefits. Remember, such requirements include filing a complete pension application in advance of the date you want your pension payments to begin.

ADJUSTMENTS FOR LATE RETIREMENT (SECTION 6.05)
Your pension is increased from your pension payable at Normal Retirement Age for each month in which you did not work in employment for which your benefit was suspended (see pages 25 and 26) after Normal Retirement Age.

MANDATORY BENEFIT COMMENCEMENT (SECTION 6.17)
You may not delay the commencement of your pension beyond April 1st of the calendar year following the calendar year in which you reach age 70 ½. The plan is required to begin your pension as of that date, even if you do not apply. This rule applies whether or not you retire. If you continue to work in Covered Employment past age 70 ½, your benefit will be adjusted once every year to take into account the additional benefits you accrued and the new pension amount will be payable beginning February 1 of the calendar year following the year the additional amount was accrued.

APPEAL OF A DENIAL (SECTION 6.04)
If your application for benefits is denied in whole or in part, the Fund Office will provide you with a written notice which sets forth the reasons for the denial, references to any pertinent Plan provisions, a description of any additional material or information which might help your claim, and an explanation of why that information is necessary.

If you receive such a notice, of if you disagree with a policy, determination or action of the Fund, you may submit a written appeal to the Trustees, requesting that the Board of Trustees review your benefit denial or the Fund policy, determination or action with which you disagree. Your written appeal must be submitted within 180 days of receiving the notice of denial of benefits, or within 60 days after you learn of a Fund policy, determination or action with which you disagree and which is not a benefits denial.

Your written appeal should state the reason for your appeal. This does not mean that you are required to cite all applicable Plan provisions or to make "legal" arguments; however, you should state clearly why you believe you are entitled to the benefit you claim, or why you disagree with a Fund policy, determination or action. The Trustees can best consider your position if they clearly understand your claims, reasons and/or objections.

The Trustees, or a designated Committee of the Trustees, will review your appeal at their quarterly meeting immediately following receipt of your appeal, unless your appeal was received by the Fund Office within 30 days of the date of the meeting. In that case, your appeal would be reviewed at the second quarterly meeting following receipt of the appeal. You may wish to contact the Fund Office concerning the date of the next meeting, so that you may submit your appeal in time to be heard at that meeting. If special circumstances require an extension of the time for review by the Trustees or Committee, you will be notified in writing.

You will receive written notice of the decision of the Trustees or Committee promptly after review by the Trustees or Committee. The notice will explain the reasons for the decision, will include specific references to Plan provisions on which the decision is based, and may indicate whether additional information might help your claim.

You may renew your appeal if you have any additional information or arguments to present. A renewed appeal must be submitted in writing, and the rules and time limits stated above apply. In connection with an appeal or renewed appeal, you may review pertinent documents in the Fund Office after making appropriate arrangements, or you may request that documents be provided to you. The Fund may charge $.25 per page to provide documents to you, and this amount must be paid in advance.

GENERAL INFORMATION

SELLING, ASSIGNING OR PLEDGING BENEFITS (SECTION 6.13)
Benefits may not be sold, assigned or pledged as security for a loan. Furthermore, benefits are not subject to attachment or execution for the payment of a debt under any judgment or decree of a court or otherwise, except as provided in the Internal Revenue Code and applicable regulations. You or your beneficiary's benefits may be reduced pursuant to a judgment or an order, decree, or settlement entered into on or after August 5, 1997 where there has been a breach of fiduciary duty against the plan or a criminal act has been committed against the Plan. However, any benefits payable to a former spouse or alternative payee, under a legally binding Qualified Domestic Relations Order, will be honored by the Fund.

RIGHTS OF A FORMER SPOUSE
Any rights of a former spouse or other alternate payee under a Qualified Domestic Relations Order with respect to a Participant's pension will take precedence over those of any later spouse of the Participant. An "alternate payee" may include the Participant's spouse, former spouse, child or other dependents.

BENEFITS INCREASE FOR RETIREES (SECTION 6.16)
There is no guarantee that pensions will be increased after retirement, even if the benefit rate is increased for active Employees. The Trustees may provide benefit increases to retirees, if the financial experience and current income to the Plan permit such action.

MAXIMUM BENEFITS (SECTION 6.18)
The Internal Revenue Code imposes certain maximums on the pension amount you can receive from the Plan during any year. The Fund Office will let you know if these limits apply to you.

PLAN TERMINATION

As it is currently structured, the Plan can be terminated by the by the Trustees.
(Section 7.05)

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

If there are more than enough assets available to pay the expenses of termination and fund all of the benefits described in the Plan, the Trustees will distribute any surplus remaining in the way that they determine best achieves the purposes of the Pension Fund. No assets will be used to the benefit of any Employer or any Union. They will be used only to pay benefits to Employees (or their families, beneficiaries, or dependents), to pay the cost of administering the Pension Fund, or for other purposes of the Fund.

If, however, there are not enough assets to pay for all of the benefits described in the Plan after providing for the expenses of termination, the remaining assets will be allocated in accordance with Section 7.05 of Article 7 of the Pension Plan, and as otherwise required by law. In general, that Article provides that benefits will be divided into four categories of descending order or priority. Available assets will be allocated first to the first category, which includes, as a general rule, pensions that were being paid at that time if the Participant had chosen to retire. If there are enough assets to pay for all the benefits in this category, the excess will be allocated to the next category. Please note that this is only a brief and general description of the allocation procedure. See Article 7 of the Plan document.

Once the allocation procedure is completed, the Trustees generally will use the available assets to purchase annuity contracts to provide you with your benefits. However, under certain circumstances, the Trustees may pay you the actuarial equivalent of your benefit in cash, if you consent to such a payment.

TERMINATION INSURANCE

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

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 (i) 100% of the first $11 of the monthly benefit accrual and (ii) 75% of the next $33. The PBGC's maximum guarantee limit is $35.75 per month times a participant's years of service. For example, the maximum annual guarantee for a retiree with 30 years of service is $12,870.

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

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

For more information about the PBGC and the benefits it guarantees, ask your plan administrator or contact the PBGC's Technical Assistance Division, 1200 K Street, N.W., Suite 930, Washington, D.C. 20005-4026 or call (800) 400-7242 or 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 (800) 400-7242. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at www.pbgc.gov .

IMPORTANT PLAN INFORMATION

The following additional information concerning your Plan is being provided to you in accordance with government regulations:

Plan Name and Type of Plan

The National Automatic Sprinkler Metal Trades Pension Plan is a defined benefit plan.

Plan Administration

The Plan is a collectively-bargained, jointly-trusteed labor management trust fund administered by the Board of Trustees.

Source of Financing of the Plan and Identity of Any Organization Through Which Benefits are Provided

Benefits are provided from the Fund's assets, which are accumulated under the provisions of the Trust Agreement and held in a trust fund for the purpose of providing benefits to covered Participants and defraying reasonable administrative expenses.

All contributions to the Plan are made by Employers in accordance with their collective bargaining agreements with the Union. The collective bargaining agreements require that contributions be made to the Plan at fixed rates per hour worked. The Fund Office will, upon written request, provide you with information as to whether a particular Employer is contributing to this Plan on behalf of Employees working under a collective bargaining agreement.

The Fund's assets are held in custody by Bankers Trust Company.

Service of Legal Process

The Board of Trustees has been designated as the agent for the service of legal process. Service of legal process may be made upon a Plan Trustee or at the Fund Office.

Internal Revenue Service Employer Identification Number: 52-6133856

The Plan Number is: 001

Date of the End of the Plan Year: December 31

STATEMENT OF RIGHTS UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

The Pension Plan was established as the result of collective bargaining agreements, and its purpose is to improve the security and well-being of the Employees and their beneficiaries. The Trustees, the Employers and the Union want you, as a Participant in the Plan, to enjoy its benefits.

This booklet describes the Plan and tells you and your beneficiaries how to get more information. The description of the claims and appeals procedure tells you how to apply for benefits and how to follow up, if necessary.

However, in addition to what the Trustees, the Employers and the Union have done, to see that the Plan's benefits are fulfilled, every Participant in the Plan is entitled under the law (ERISA) to receive the following summary of rights and protections.

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

Receive Information About Your Plan and Benefits

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

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

Receive a summary of the plan's annual financial report. The Trustees are 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 or, if later, your age on the fifth anniversary of your participation in the Plan) 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 now, 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 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 materials 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 Trustees. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Questions

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