

APPENDIX A – PLAN PROVISIONS THAT ARE NO LONGER GENERALLY APPLICABLE

This Appendix sets forth certain historical rules applicable to various Articles of the Plan Document.

Section 2.05 Acceptance of Special Class of Employees of a Contributing Employer

Prior to September 1, 1999, a Covered Employee or Employee includes any member of a class of employees of a Contributing Employer not within the bargaining unit represented by the Union or any owner, officer or director of a corporation who is not an Owner-Member, provided that such employee is accepted for Participation by the Trustees as part of a special class of employees of a Contributing Employer for participation in the Fund. Such special class shall consist of the employees who are employed by a Contributing Employer and who are not represented for the purpose of collective bargaining by the Union; however, the acceptance and continued coverage of such special class employees shall be subject to the following conditions:

- (a) The employer of the said special class of employees is also a Contributing Employer for those of his employees who are represented by the Union for the purpose of collective bargaining;
- (b) The special class of employees is sufficiently clear so there is no question as to the identity of the employees in the class;
- (c) The special class consists of all employees not represented by the Union for purposes of collective bargaining and necessary data regarding such employees is submitted to the Trustees;
- (d) The Local and the Contributing Employer make joint written application to the Trustees for the participation by the special class of employees and the application is approved by the Trustees in writing;
- (e) The basis of contribution for the special class of employees is set forth in a written statement or agreement signed by the Contributing Employer. The written statement or agreement shall be in the form of a participation agreement or such other form approved by the Trustees;
- (f) The acceptance of such special class of employees will not adversely affect the actuarial soundness of the Fund as determined by the Trustees after consultation with the actuaries for the Fund, and will not adversely affect the tax qualified status of the Plan under Section 401(a) of the Code;
- (g) Pursuant to Section 2.08 of the Plan Document, if it is determined at any time that the participation of such special class of employees would adversely affect the tax-qualified status of the Plan under Section 401(a) of the Code, the Trustees may take any such actions as they deem necessary or appropriate in order to

maintain the ongoing tax-qualified status of the Plan under Section 401(a)(4) of the Code; and

- (h) The Employer agrees in writing to continue contributions for such special class of employees as long as he has any other employee for whom he is obligated to contribute to the Fund pursuant to a Collective Bargaining Agreement with the Union. Notwithstanding the foregoing, an Employer may be allowed to cease participation for one or more of its special class employees under this Section in order for the Employer to contribute on behalf of Owner-Members under Section 2.07; provided, that the Employer is not delinquent to the Fund at the time the Employer requests the change, and provided further, that the Employer complies with any other conditions that the Trustees may impose.

Effective September 1, 1999, no employee may qualify as a Covered Employee by virtue of being part of a special class of employees; such employee may, however, qualify as a Covered Employee by virtue of Section 1.13.

Section 2.07 Owner-Members

Prior to January 1, 2002, the Trustees could allow Owner-Member participation in the Plan under all of the following conditions:

- (a) The Contributing Employer of the Owner-Member is a party to a Collective Bargaining Agreement which includes the Owner-Member in the Collective Bargaining Unit.
- (b) The Contributing Employer and Local jointly submit a Registration Statement approved by the Trustees which, among other things, requires:
 - (1) the Employer to participate on behalf of all of the Owner-Members employed by the Employer; and
 - (2) subject to the provisions of subsection (d) below, an Employer of Owner-Members to contribute for a number of hours equal to the greater of (i) all Hours of Work by or paid to such Owner-Members or (ii) such minimum hours requirement as may be imposed by the applicable Collective Bargaining Agreement; provided that in no event shall the hours be less than 1680 hours per year. In any event, the determination of the appropriate minimum hours requirement under this provision will rest solely with the Trustees.
- (c) The effective date of a Contributing Employer's Registration Statement shall be the first date contributions may be made to the Fund on behalf of its Owner-Members. Such effective date shall not be earlier than January 1, 1990, unless the Employer and Local jointly request that the Trustees recognize the bargaining unit status of all Owner-Members employed by such Contributing Employer as having

been in effect as of an earlier date. In no event can the effective date of the Registration Statement be earlier than the date of incorporation of the Employer.

The Trustees may permit an Employer to make back contributions on behalf of an Owner-Member; provided that such back contributions are made on the greater of the actual Hours of Work by such Owner-Member during such year, or 1720 hours, per year. Such contributions shall be paid with interest at such rates as the Trustees may impose. In these circumstances, the Registration Statement may be given retroactive effect in accordance with subsection (c) above.

Section 4.02 Pension Credit for Service before the Contribution Date (Past Service Credit)

(a) Qualification for Past Service Credit — One-Year Test Rule

In order to qualify for Past Service Credit for any years of employment prior to his Contribution Date, a Participant must have worked both in a job classification and at a place of business that were covered by a collective bargaining agreement between a Participating Local and an Employer for at least 150 days, or earned at least \$2,500 from that Employer, in one of the 3 Calendar Years immediately preceding the Calendar Year of his Contribution Date. In the case of a Participant who participates in the Plan pursuant to an agreement other than a Collective Bargaining Agreement, the Participant must have worked in a job classification which subsequently became Covered Employment for at least 150 days, or earned at least \$2,500 in that job classification, in one of the 3 Calendar Years immediately preceding the Calendar Year of his Contribution Date. This One Year Test Rule will be waived if a Participant meets one or more of the following criteria:

(1) Waiver on Account of Military Service

The Participant left employment with a Contributing Employer to enter military service and was prevented from meeting the requirements of the “One-Year Test Rule” — solely as the result of his actually serving in the military during the years specified;

(2) Waiver on Account of Future Service Credit

The Participant has earned 60 months of Future Service Credit;

(3) Waiver on Account of Certain Non-Covered Employment

In the event that a Contributing Employer did not have a collective bargaining agreement in effect for any one or more of the 3 Calendar Years immediately preceding the Calendar Year of the Participant’s Contribution Date, work performed by the Participant during such period may be counted toward the 150 day or \$2,500 requirement in one of the

specified 3 Calendar Years, if such work was performed during such period in both a job classification and place of business which were covered by the first collective bargaining agreement subsequently entered into by the Contributing Employer and the Union.

(b) General Rule for Granting Past Service Credit

If a Participant qualifies for Past Service Credit by having met the requirements of the “One-Year Test Rule,” he shall be credited with one (1) year of Past Service Credit for each year prior to his Contribution Date in which he worked at least 150 days or earned \$2500 while working for one or more Contributing Employers in Covered Employment. If a Participant performed work in Covered Employment under the Local 543 collective bargaining agreement that was in effect on May 1, 1982 (when Local Union 543 agreed that it would become a Participating Local), such work will be treated as work in Covered Employment for a Contributing Employer.

For purposes of this Section 4.02 of Appendix A, “Covered Employment” shall mean:

- (1) employment which was in a job classification and at a place of business covered by a collective bargaining agreement of a union which subsequently became a Participating Local; and/or
- (2) employment in a job classification not covered by a Collective Bargaining Agreement or other agreement requiring contributions to the Fund, but which job classification later becomes covered by a Collective Bargaining Agreement or other agreement which requires contributions to be made to the Fund.

(c) Special Rule for Certain Non-Covered Employment

- (1) Past Service Credit will be granted on a special basis for work performed in a job classification which ceased to be covered under a Collective Bargaining Agreement because of the termination or expiration of such Collective Bargaining Agreement and the failure of the Local Union and Employer to renew such agreement. In that case, if the job classification subsequently became covered by a new Collective Bargaining Agreement between the Local Union and the same Employer, a Participant shall be granted Past Service Credit for such period of Non-Covered Employment on the basis of one (1) year of Past Service Credit for each year of Future Service Credit subsequently earned. Such Past Service Credit shall be granted hereunder notwithstanding the provisions of Section 4.02(a) of Appendix A and Section 4.07 of the Plan Document.
- (2) Subject to the conditions of Section 4.11 of Appendix A, and notwithstanding the provisions of subsection 4.02(e) and (f) of Appendix

A, effective October 1, 1984, Past Service Credit will be granted for employment in a job classification and at a place of business covered by a collective bargaining agreement with Sheet Metal Workers' Local Union #22.

- (d) No Past Service Credit may be granted for any period of employment as a sole proprietor or partner in an unincorporated business.
- (e) Except as provided in subsections (g) or (h), Past Service Credit granted in accordance with Section 4.03 of this Plan Document shall be subject to the following maximum limitations:

Contribution Date	Maximum Years of Past Service Credit
Prior to January 1, 1983	24
January 1, 1983 through December 31, 1985	20
After December 31, 1985 and before January 1, 2000, subject to Subsection (f)	15
After December 31, 1999	10

Past Service Credit, as described above, shall be granted as a matter of right for applicable periods of time worked in Covered Employment prior to an Employee's Contribution Date. The Employee shall be responsible for furnishing adequately documented proof of time worked in Covered Employment prior to his Contribution Date. The Trustees shall have the sole discretion to determine whether proof of time worked in Covered Employment prior to an Employee's Contribution Date is adequately documented. It is recognized, however, that it may be difficult for many, if not most, Employees to furnish proof of time worked in Covered Employment prior to their Contribution Dates. If the Trustees, in their sole discretion, determine that an Employee cannot furnish such adequately documented proof, the Trustees may presume that an Employee who was a member of the Participating Local on his Contribution Date was engaged in Covered Employment and worked 150 days in such Covered Employment during each consecutive year of apprenticeship and membership prior thereto.

- (f) Except as provided in subsection (g) or (h), or Section 4.03, no Past Service Credit shall be granted: (i) to any Participant whose Contribution Date is on or after March 22, 1995; (ii) to any Participant for work performed for an Employer who previously ceased to have an obligation to contribute to the Fund and again became obligated to contribute to the Fund on or after July 1, 1995; or (iii) to any

Participant for any work performed for an Employer whose Contribution Date is on or after August 5, 1995.

- (g) Effective August 5, 1995, notwithstanding paragraph (f) above, upon the acceptance of Crown, Cork & Seal Co. in Local Union No. 218 (“Crown Cork – 218”) as a Contributing Employer, Past Service Credit shall be granted in accordance with the other provisions of this Section 4.02 to the Employees of Crown Cork – 218 for periods of employment with Crown Cork – 218 before Crown Cork – 218’s Contribution Date. Notwithstanding the preceding sentence, the amount of Past Service Credit granted to the Employees of Crown Cork – 218 shall not exceed 10 years. Any grant of Past Service Credit pursuant to this paragraph (g) shall also be subject to the other provisions of Article 4 of the Plan Document.
- (h) Effective as of the Contribution Date below, Employees of the following Employers shall be granted one month of Past Service Credit, up to a maximum of 84 months, for each month of Future Service Credit earned subsequent to the Employer’s Contribution Date for periods of employment with the Employer before the Employer’s Contribution Date stated below, provided that the Employee was working in Covered Employment for the Employer on the Employer’s Contribution Date and the Employee has been credited with 12 months of Future Service Credit after that Contribution Date:

G.E.W. Mechanical Contractors, Inc., Local #49, Contribution Date of 6/1/95

Carpenter Mechanical Corp., Local #38, Contribution Date of 3/1/96

Harry P. Carpenter & Sons, Inc., Local #38, Contribution Date of 4/1/96

Prawl Engineering Corporation, Local #3, Contribution Date of 6/1/96

Tonn & Blank (Service Addendum), Local #20, Contribution Date of 7/1/96

Air Duct, Inc., Local #270, Contribution Date of 9/1/96

Central WV Heating & A/C, Local #33, Contribution Date of 10/1/96

Matthews Daniels, Inc., Local #10, Contribution Date of 12/1/96

Air Fluid Management, Local #3, Contribution Date of 1/1/97

Gray’s Refrigeration, Inc., Local #20, Contribution Date of 4/1/97

Lymo Construction Company, Inc., Local #17, Contribution Date of 7/1/97

Shodder Manufacturing Co., Local #33, Contribution Date of 9/1/97

Mason’s HVAC Inc., Local #270, Contribution Date of 10/1/97

T. R. Bulger, Local #20, Contribution Date of 3/1/98

B&G Mechanical, Local #110, Contribution Date of 10/1/98

Celtic Sheet Metal, Local #38, Contribution Date of 11/1/97

Mountain Aire-Service America, Local #33, Contribution Date of 11/1/98

METRA-NIRC, Local #256, Contribution Date of 1/1/99

Sullivan Plumbing Co., Local #218, Contribution Date of 2/1/99

Schnaare’s Heating & Air Conditioning, Local #18, Contribution Date of 3/1/99

Universal Mechanical, Inc., Local #36, Contribution Date of 4/2/99

Commercial Air Tech, Inc., Local #63, Contribution Date of 5/1/99

D.R. Kohlman, Inc., Local #18, Contribution Date of 9/1/99

Carver Heating & Air Conditioning, Local #10, Contribution Date of 10/1/99

Hoffman Heating and Cooling, Local #265, Contribution Date of 10/1/99
Triangle Sheet Metal, Inc., Local #18, Contribution Date of 11/1/99
MTM Mechanical, Local #18, Contribution Date of 1/1/00

In the case of D.R. Kohlman (“Kohlman”), Carver Heating & Air Conditioning (“Carver”) and MTM Mechanical (“MTM”), Past Service Credit in accordance with this subsection (h) shall be accorded to any Participant employed by Kohlman, Carver, or MTM in the 24-month period preceding those Employers’ respective Contribution Dates, who was engaged in Covered Employment with any Contributing Employer as of Kohlman, Carver, or MTM’s respective Contribution Date. Any grant of Past Service Credit pursuant to this paragraph (h) shall also be subject to other provisions of this Article 4, except Sections 4.02.

- (i) Months of Past Service Credit shall be granted on a proportional basis based on days of employment, earnings or months of Union membership or apprenticeship.

Section 4.10 Pension Credit for Periods of Unemployment

For Plan Years beginning prior to January 1, 2000 and only for purposes of receiving Pension Credit under this Article, a Participant shall be credited with Hours of Work in Covered Employment equal to the number of hours for which he receives unemployment benefits from a trust fund maintained by his Local Union and Contributing Employer; provided that all of the following conditions are met:

- (a) he is age 62 or over on his Effective Date of Pension;
- (b) his Effective Date of Pension occurs not more than one (1) year after the payment of such unemployment benefits; and
- (c) the crediting of such Hours of Work in Covered Employment will result in his pension being based on a higher Contribution Rate than if such Hours of Work were not credited.

The number of Hours of Work that are to be credited under this Section for Pension Credit purposes shall be determined by dividing the amount of each unemployment benefit by the weighted average straight time hourly wage rate in effect during the period for which the unemployment benefit is payable.

The Hours of Work in Covered Employment that are to be credited under this Section for Pension Credit purposes shall be credited as though they were worked at the prevailing Contribution Rate that was in effect in the jurisdiction of his Local Union during the period for which the unemployment benefit was paid.

Section 4.11 Pension Credit for Periods of Employment under Sheet Metal Workers' Local Union #22's Jurisdiction

Notwithstanding the provisions of Sections 4.02(e) and 4.02(f) of Appendix A, if a Participant's effective date of participation in the Plan is prior to December 20, 1996, he shall receive Past Service Credit under Section 4.02(c)(2) of Appendix A for employment in the jurisdiction of Sheet Metal Workers' Local Union #22 prior to December 20, 1996, subject to the following conditions and limitations:

- (a) the Participant must earn at least one (1) year of Future Service Credit, and
- (b) any benefit to which the Participant becomes entitled under the Plan shall be reduced by the amount of any benefit to which he is entitled under a pension plan separately maintained by Sheet Metal Workers' Local Union #22.

Section 5.02 Normal Retirement Pension for Effective Dates of Pension Before January 1, 2000

A Participant who has attained Normal Retirement Age, and whose Effective Date of Pension is before January 1, 2000, shall be entitled to retire on a Normal Retirement Pension, the amount of which shall be determined in accordance with the provisions of subsection (a) and (b) below, as applicable, based only on Pension Credit earned before January 1, 2000.

(a) Full Service Category

(1) Eligibility Requirements

To receive a Normal Retirement Pension under this category, the Participant must have:

- (A) at least 25 years of Pension Credit; and
- (B) at least 12 months of Future Service Credit.

(2) Application of Benefit Levels (Effective Date of Pension on or after July 1, 1997 – Participants With At Least 30 Years of Future Service Credit)

Effective July 1, 1997, for any Participant with at least 30 Years of Future Service Credit whose Effective Date of Pension is on or after July 1, 1997, the amount of Normal Retirement Pension payable under this category shall be the sum of:

- (A) the amount payable under this Section 5.02(a) of this Appendix A without consideration of this subsection (2), plus

- (B) the amount determined under paragraph (A) multiplied by one percent (1%) for each full year of Pension Credit, and by one-twelfth of one percent (1/12%) for each additional full month of Pension Credit, in excess of 30 years.
- (3) Application of Benefit Levels (Separation from Covered Employment on or after July 1, 1995)
- (A) Effective July 1, 1995, this subsection 5.02(a)(3) of this Appendix A shall apply to any Participant who separates from Covered Employment on or after July 1, 1995.
 - (B) Effective July 1, 1995, subject to paragraph (C), the amount of the Normal Retirement Pension payable under this category to a Participant who performed Construction Work shall be determined by the following table:

Contribution Rate Increment	Monthly Pension Based on 25 Years of Pension Credit, Per Contribution Rate Increment	Additional Monthly Normal Retirement Pension for each Year of Future Service Credit in excess of 25 up to a maximum of 30 Years of Future Service Credit, per Contribution Rate Increment
First 3 Contribution Rate Increments	\$90.00	\$3.60
Next 6 Contribution Rate Increments	\$95.00	\$3.80
Next 6 Contribution Rate Increments	\$100.00	\$4.00
Contribution Rate Increments over 15	\$105.00	\$4.20

Example: Assume an eligible Participant described in paragraph (A) above is at 5 Contribution Rate Increments (as defined in paragraph (D) below) and retires with 30 years of Future Service Credit. The monthly Normal Retirement Pension for his first 25 Years of Future Service Credit would be \$460.00 [(3 x \$90.00) + (2 x \$95.00)], and his monthly Normal Retirement Pension for his last five (5) years of Future Service Credit would be: \$92.00 = 5 x [(3 x \$3.60) + (2 x \$3.80)]. Thus, his total Monthly Normal Retirement Pension would be \$552.00 [\$460.00 + \$92.00].

Effective July 1, 1995, subject to paragraph (C), the amount of the Normal Retirement Pension payable under this category to a Participant who performed Non-Construction Work shall be determined as follows:

- (i) 25-Year Monthly Pension:

With 25 Years of Pension Credit, a Participant's monthly Normal Retirement Pension shall be equal to the total number of Contribution Rate Increments times \$110.00.

- (ii) Additional Monthly Normal Retirement Pension for Years of Future Service Credit in Excess of 25 up to a Maximum of 30 Years of Future Service Credit:

For each year of Future Service Credit greater than 25 years of Future Service Credit, but not in excess of 30 years of Future Service Credit, the Participant's additional monthly Normal Retirement Pension shall be equal to the total number of Contribution Rate Increments times \$4.40.

Example: If an eligible Participant described in paragraph (A) above has 5 Contribution Rate Increments and retires with 30 years of Future Service Credit, his monthly Normal Retirement Pension for his first 25 years of Future Service Credit would be \$550.00 [(5 X \$110.00)], and his additional monthly Normal Retirement Pension for his last five (5) years of Future Service Credit would be \$110.00 = 5 X [(5 X \$4.40)]. Thus, his total monthly Normal Retirement Pension would be \$660.00 [\$550.00 + \$110.00].

- (C) Effective July 1, 1995, notwithstanding any provision to the contrary in this subsection 5.02(a)(3) of Appendix A, a Participant's Normal Retirement Pension shall be separately determined with respect to Pension Credit earned on or after July 1, 1995. For Pension Credit earned prior to July 1, 1995, a Participant's Normal Retirement Pension shall be determined under the terms of the Plan Document in effect on June 30, 1995. For Pension Credit earned on or after July 1, 1995, the Participant's Normal Retirement Pension shall be the product of:

- (i) the amount of his Normal Retirement Pension as determined under paragraph (B) above; multiplied by
- (ii) a fraction, the numerator of which is the Actual Contribution Rate ("ACR") (as defined in paragraph (F) below), and the denominator of which is the sum of the ACR and two (2) times the difference between the Required Contribution Rate ("RCR") (as defined in paragraph (E) below) in effect at the time the Participant earned the Pension Credit and the Actual Contribution Rate.

$$\frac{\text{ACR}}{\text{ACR} + 2(\text{RCR} - \text{ACR})}$$

- (D) For purposes of this subsection 5.02(a)(3), the “Contribution Rate Increment” shall be based upon the Contribution Rate of the Participant’s Employer(s) and shall be calculated as follows:
- (i) If no Contribution Rate increase took effect between October 1, 1994 and June 30, 1995, or if a Contribution Rate increase took effect between October 1, 1994 and June 30, 1995, but was negotiated or allocated on or after October 1, 1994, the Contribution Rate Increment shall be the amount of the Employer’s Contribution Rate as of September 30, 1994 divided by:
 - (I) twelve cents (\$0.12) if the Employer has not increased its Contribution Rate in effect on December 31, 1990 by a factor of one cent (\$0.01) per twelve cents (\$0.12); or
 - (II) thirteen cents (\$0.13) if the Employer has increased its Contribution Rate in effect on December 31, 1990 by a factor of one cent (\$0.01) per thirteen cents (\$0.13).
 - (ii) If a Contribution Rate increase took effect between October 1, 1994 and June 30, 1995, but was negotiated or allocated before October 1, 1994, the Contribution Rate Increment shall be the amount of the Employer’s Contribution Rate as of June 30, 1995 divided by:
 - (I) twelve cents (\$0.12) if the Employer has not increased its Contribution Rate in effect on December 31, 1990 by a factor of one cent (\$0.01) per twelve cents (\$0.12); or
 - (II) thirteen cents (\$0.13) if the Employer has increased its Contribution Rate in effect on December 31, 1990 by a factor of one cent (\$0.01) per thirteen cents (\$0.13).
 - (iii) Except as provided in (iv) below, in the case of an Employer who begins contributing to the Plan on or after July 1, 1995, the Employer’s Contribution Rate Increment shall be the Contribution Rate in effect on the date the Employer first begins contributing to the Plan divided by:
 - (I) fifteen cents (\$0.15) if the Employer first begins contributing to the Plan on or after July 1, 1995 but before January 1, 1997;

- (II) sixteen cents (\$0.16) if the Employer first begins contributing to the Plan on or after January 1, 1997 but before January 1, 1998; or
 - (III) seventeen cents (\$0.17) (or such higher amount as may be in effect on or after January 1, 1998) if the Employer first begins contributing to the Plan on or after January 1, 1998.
- (iv) Notwithstanding the foregoing, if an Employer described in (iii) above is signatory to a Collective Bargaining Agreement which provides for uniform Contribution Rates within the jurisdiction of a Local, the Employer's Contribution Rate Increment shall be the same as the Contribution Rate Increment of all other Contributing Employers within the jurisdiction of such Local.
- (v) Notwithstanding the foregoing, and subject to the provisions of (vi) below, if a graduated Contribution Rate for apprentices has been negotiated into a Collective Bargaining Agreement, the Contribution Rate Increment for an apprentice, at any given point in time, shall be determined by:
- (I) dividing the Contribution Rate applicable to the apprentice by the Contribution Rate applicable to journeymen, and
 - (II) multiplying the amount in (I) above by the Contribution Rate Increment for journeymen.
- (vi) The provisions of (v) above shall apply only if:
- (I) the Contribution Rate for journeymen equals or exceeds the Required Contribution Rate in effect at any given point in time, and
 - (II) the Contribution Rates for apprentices and journeymen are in the same proportion as the wage rates for apprentices and journeymen.
- If the provisions of (v) above do not apply, the Contribution Rate Increment for apprentices shall be equal to the Contribution Rate Increment for journeymen.
- (vii) A Participant's Contribution Rate Increment for Pension Credits attributable to service with the SMWIA on or after January 1, 1998 shall be the greater of 12 or such

Participant's Contribution Rate Increment determined under (i) through (iv) above, as applicable; except that for a Participant who is a Vice-President of the SMWIA on or after January 1, 1998 shall be the greater of 2.4 or such Participant's Contribution Rate Increment determined under (i) through (iv) above, as applicable. However, with respect to a Participant who commences employment with the SMWIA after March 31, 1999, his or her Contribution Rate Increment for Pension Credits attributable to service with the SWMIA shall be (i) 12 or (ii) 2.4 if the Participant is a Vice President of the SWMIA. In no event shall this subsection cause any Participant's Accrued Benefit to be less than it was on any prior date.

(viii) If during any Calendar Year, a Participant earns Pension Credit under more than one Contribution Rate Increment, the Participant's Contribution Rate Increment shall be determined as follows:

(I) FIRST, determine each Contribution Rate Increment under which the Participant earned Pension Credit during the Calendar Year;

(II) SECOND, determine the Participant's Hours of Work in Covered Employment under each such Contribution Rate Increment;

(III) THIRD, multiply each Contribution Rate Increment by the Hours of Work in Covered Employment under the Contribution Rate Increment (the result of each is called the "product"); and

(IV) FOURTH, take the sum of the products determined in (III) above and divide by the Participant's total number of Hours of Work in Covered Employment during the Calendar Year.

(E) For purposes of this subsection 5.02(a)(3) of Appendix A, the "Required Contribution Rate" shall be determined as follows:

(i) For the period commencing July 1, 1995 and ending on December 31, 1996, the Required Contribution Rate shall be the product of fifteen cents (\$0.15) multiplied by the Employer's Contribution Rate Increment (and truncated to two decimal places).

(ii) For the period commencing January 1, 1997 and ending on December 31, 1997, the Required Contribution Rate shall

be the product of sixteen cents (\$0.16) multiplied by the Employer's Contribution Rate Increment (and truncated to two decimal places).

- (iii) For any period on or after January 1, 1998, the Required Contribution Rate shall be the product of seventeen cents (\$0.17) (or such higher amount as may be in effect on or after January 1, 1998) multiplied by the Employer's Contribution Rate Increment (and truncated to two decimal places).
 - (iv) For purposes of subsection 5.02(a)(3)(C)(ii) of Appendix A above, if during any Calendar Year more than one Required Contribution Rate applies to a Participant, the Required Contribution Rate shall be prorated by dividing the total amount of contributions that would have been made on behalf of the Participant at the applicable Required Contribution Rates during the Calendar Year by his total Hours of Work in Covered Employment during the Calendar Year. The prorated Required Contributions Rate shall be truncated to two decimal places.
- (F) For purposes of subsection 5.02(a)(3)(C)(ii) of Appendix A above, the "Actual Contribution Rate" shall mean the Contribution Rate in effect at the time the Participant earned the Pension Credit. However, if a Participant earned Pension Credit at more than one Contribution Rate during any Calendar Year, the Actual Contribution Rate shall be prorated by dividing the total amount of contributions the Employer(s) is/are obligated to make on behalf of the Participant during the Calendar Year by his total Hours of Work in Covered Employment during the Calendar Year. Notwithstanding any provision to the contrary, the Actual Contribution Rate shall, in no event, exceed the Required Contribution Rate as determined under paragraph (E) above.
- (G) In no event shall this subsection 5.02(a)(3) of Appendix A cause any Participant's Accrued Benefit to be less than it was on June 30, 1995, nor shall the application of paragraph (C) cause any Participant's Accrued Benefit to be less than it was on any prior date.
- (H) Effective July 1, 1995, if a Participant earns Future Service Credit on or after July 1, 1995 at a Contribution Rate that exceeds the Required Contribution Rate during the Calendar Year, his monthly Normal Retirement Pension, as determined under paragraphs (B) and (C) above, shall be increased to reflect the Future Service Credit earned at the Excess Contribution Rate. The amount by

which the Participant's monthly Normal Retirement Pension shall be increased is the product of:

- (i) the Excess Contribution Rate; times
 - (ii) \$38.00 for a Participant who performed Construction Work or \$40.00 for a Participant who performed Non-Construction Work; times
 - (iii) the Future Service Credit earned during the Calendar Year.
- (I) For purposes of paragraph (H) above, the "Excess Contribution Rate" shall be equal to:
- (i) the total amount of contributions the Employer(s) is/are obligated to make on behalf of the Participant on the basis of the Contribution Rate(s) at which the Participant earned Future Service Credit during the Calendar Year; minus
 - (ii) the total amount of contributions that would have been required to be made on behalf of the Participant had the Participant earned all of his Future Service Credit during the Calendar Year at the Required Contribution Rate(s) in effect at the time such Future Service Credit was earned; divided by
 - (iii) the Participant's total number of Hours of Work in Covered Employment during the Calendar Year.
- (J) For purposes of this subsection 5.02(a)(3) of Appendix A, a Participant shall be deemed to earn no more than one (1) year of Future Service Credit during any single Calendar Year. For example, if a Participant receives two (2) years of Future Service Credit in a Calendar Year under Section 4.09(a), he shall be treated as having earned one (1) year of Future Service Credit in each of the two Consecutive Calendar Years.
- (4) Application of Benefit Levels (Effective Dates of Pension on or after January 1, 1991)
- (A) Effective January 1, 1991, the benefit levels set forth in paragraph (B) below are for Participants whose Effective Date of Pension is on or after January 1, 1991, and who have been employed by Contributing Employers who have increased their Contribution Rate by a factor of one cent (\$0.01) per twelve cents (\$0.12) of the Contribution Rate as of December 31, 1990 (the "Required Pension Fund Increase").

(B) Effective January 1, 1991, the amount of the Normal Retirement Pension payable under this category for a Participant who performed Construction Work shall be determined in accordance with the table set forth below:

Contribution Rate	25 Year Monthly Normal Retirement Pension	Additional Monthly Normal Retirement Pension for each year of Future Service Credit in excess of 25 Years of Future Service Credit up to a maximum of 30 Years of Future Service Credit
\$.13	\$ 90	\$ 3.60
.26	180	7.20
.39	270	10.80
.52	365	14.60
.65	460	18.40
.78	555	22.20
.91	650	26.00
1.04	745	29.80
1.17	840	33.60
1.30	940	37.60
1.43	1040	41.60
1.56	1140	45.60
1.69	1240	49.60
1.82	1340	53.60
1.95	1440	57.60
2.08	1545	61.80
2.21	1650	66.00
2.34	1755	70.20
2.47	1860	74.40
2.60	1965	78.60
2.73	2070	82.80
2.86	2175	87.00
2.99	2280	91.20
3.12	2385	95.40
3.25	2490	99.60
3.38	2595	103.80
3.51	2700	108.00

Effective January 1, 1991, the amount of the Normal Retirement Pension payable under this category for a Participant who performed Non-Construction Work shall be determined in accordance with the table set forth below:

Contribution Rate	25 Year Monthly Normal Retirement Pension	Additional Monthly Normal Retirement Pension for each year of Future Service Credit in excess of 25 Years of Future Service Credit up to a maximum of 30 Years of Future Service Credit
\$.13	\$ 110	\$ 4.40
.26	220	8.80
.39	330	13.20
.52	440	17.60
.65	550	22.00
.78	660	26.40
.91	770	30.80
1.04	880	35.20
1.17	990	39.60
1.30	1100	44.00
1.43	1210	48.40
1.56	1320	52.80
1.69	1430	57.20
1.82	1540	61.60
1.95	1650	66.00
2.08	1760	70.40
2.21	1870	74.80
2.34	1980	79.20
2.47	2090	83.60
2.60	2200	88.00
2.73	2310	92.40
2.86	2420	96.80
2.99	2530	101.20
3.12	2640	105.60
3.25	2750	110.00
3.38	2860	114.40
3.51	2970	118.80

- (C) Except as provided in paragraph (D) below, a Contribution Rate which falls between any two rates outlined above will produce a monthly Normal Retirement Pension amount which is proportional to the two rates between which it falls.
- (D) Effective January 1, 1991, in accordance with paragraph (A) above, an increase in a Contribution Rate which is less than the Required Pension Fund Increase will not produce a greater monthly Normal Retirement Pension amount under this Section 5.02(a)(4) of Appendix A.

- (E) If a Participant does not meet the requirements of this Section 5.02(a)(4) of Appendix A, his Normal Retirement Pension benefit under this category shall be determined in accordance with the provisions of Section 5.02(a)(5) of Appendix A or Section 5.15, as applicable.
 - (F) Notwithstanding any provision in this Section 5.02(a)(4) of Appendix A to the contrary, a Participant's Accrued Benefit, as determined under this Section 5.02(a)(4) of Appendix A, shall not be less than his Accrued Benefit as of December 31, 1990, or if later, as of the day immediately preceding the date the benefit levels under subsection (B) above were adopted by the Trustees.
- (5) Application of Benefit Levels (Effective Dates of Pension on or after March 1, 1987)
- (A) Effective September 1, 1988, the benefit levels set forth in subsection (B) below are for Participants who meet all of the following requirements, but who do not meet the requirements of Section 5.02(a)(4)(A) of Appendix A above:
 - (i) The Participant's Effective Date of Pension is on or after March 1, 1987;
 - (ii) The Participant was employed by Contributing Employers with a Contribution Date of June 1, 1979 or later or who have increased their Contribution Rate by a factor of one cent (\$0.01) per eleven cents (\$0.11) of contribution in effect prior to June 1, 1979; and
 - (iii) The Participant had 300 or more Hours of Work in Covered Employment on or after March 1, 1986, unless the failure to meet such requirement was due to:
 - (I) involuntary unemployment and the Participant had 300 or more Hours of Work in Covered Employment on or after March 1, 1984; was continuously available for Covered Employment on or after the date of unemployment, as verified by the Employer, the Business Manager of the Local Union or any other source required for verification; and did not perform at least one hour of employment in the Sheet Metal Industry that was not under a collective bargaining agreement between the Union and the Employer on or after September 1, 1988; or

- (II) total and permanent disability as defined under former Section 5.06 of the Plan Document in effect as of October 1990, provided the Participant had 300 or more Hours of Work in Covered Employment on or after March 1, 1984 and did not perform at least one hour of employment in the Sheet Metal Industry that was not under a Collective Bargaining Agreement between the Union and the Employer on or after September 1, 1988.
- (iv) If a Participant does not meet the requirements of this Section 5.02(a)(5)(A) of this Appendix A, his Normal Retirement Pension benefit under this category shall be determined in accordance with the provisions of Section 5.15.
- (B) Effective September 1, 1988, the amount of the Normal Retirement Pension payable to a Participant who performed Construction Work under this category shall be determined by the table set forth below:

Contribution Rate	25 Year Monthly Normal Retirement Pension	Additional Monthly Normal Retirement Pension for each Year of Future Service Credit in excess of 25 years of Future Service Credit up to a maximum of 30 Years of Future Service Credit.
\$.12	\$ 90	\$ 3.60
.24	180	7.20
.36	270	10.80
.48	365	14.60
.60	460	18.40
.72	555	22.20
.84	650	26.00
.96	745	29.80
1.08	840	33.60
1.20	940	37.60
1.32	1040	41.60
1.44	1140	45.60
1.56	1240	49.60
1.68	1340	53.60
1.80	1440	57.60
1.92	1545	61.80
2.04	1650	66.00

2.16	1755	70.20
2.28	1860	74.40
2.40	1965	78.60
2.52	2070	82.80
2.64	2175	87.00
2.76	2280	91.20
2.88	2385	95.40
3.00	2490	99.60
3.12	2595	103.80
3.24	2700	108.00

Effective September 1, 1988, the amount of the Normal Retirement Pension payable to a Participant who performed Non-Construction Work under this category shall be determined by the table set forth below:

Contribution Rate	25 Year Monthly Normal Retirement Pension	Additional Monthly Normal Retirement Pension for each Year of Future Service Credit in excess of 25 years of Future Service Credit up to a maximum of 30 Years of Future Service Credit.
\$.12	\$ 110	\$ 4.40
.24	220	8.80
.36	330	13.20
.48	440	17.60
.60	550	22.00
.72	660	26.40
.84	770	30.80
.96	880	35.20
1.08	990	39.60
1.20	1100	44.00
1.32	1210	48.40
1.44	1320	52.80
1.56	1430	57.20
1.68	1540	61.60
1.80	1650	66.00
1.92	1760	70.40
2.04	1870	74.80
2.16	1980	79.20
2.28	2090	83.60
2.40	2200	88.00
2.52	2310	92.40
2.64	2420	96.80

2.76	2530	101.20
2.88	2640	105.60
3.00	2750	110.00
3.12	2860	114.40
3.24	2970	118.80

- (C) A Contribution Rate which falls between any two rates outlined above will produce a monthly Normal Retirement Pension amount which is proportional to the two rates which it falls.
- (D) Notwithstanding any provision in this Section 5.02(a)(5) of this Appendix A to the contrary, no Participant's Accrued Benefit, as determined under this Section 5.02(a)(5) of this Appendix A, shall be less than his Accrued Benefit as of August 31, 1988, or if later, as of the day immediately preceding the date the benefit levels under subsection (B) above were adopted by the Trustees.

(6) Determination of Contribution Rate

For purposes of subsections 5.02(a)(4) and 5.02(a)(5) of Appendix A above, and except as otherwise provided in subsection 5.02(a)(7) of Appendix A below, the Normal Retirement Pension to which an individual will be entitled to at retirement will be based on the highest Contribution Rate under which he earned at least 12 months of Future Service Credit. Effective for the Plan Year beginning on January 1, 1995, and only for such Plan Year, solely for the purpose of determining the highest Contribution Rate under which a Participant whose Effective Date of Pension is before January 1, 1996 earned at least 12 months of Future Service Credit, the terms of Section 4.09, as in effect on December 31, 1994, shall apply. Otherwise, the terms of Section 4.09, as in effect on January 1, 1995, shall apply.

Effective July 1, 1995, notwithstanding any provision in this Section 5.02 to the contrary, no Contribution Rate increase after June 30, 1995 shall be taken into account for purposes of subsections 5.02(a)(4) and 5.02(a)(5) of Appendix A above.

(7) Except as otherwise provided in subsections (8) and (9) below:

- (A) If a Participant leaves the jurisdiction of a Participating Local to work in the jurisdiction of another Participating Local which has either a higher or lower Contribution Rate, then such Participant will receive Pension Credit for employment in the other Participating Local as follows:

- (i) Less than 12 months of Future Service Credit at the higher or lower Contribution Rate: such credit shall be taken into consideration in determining the highest Contribution Rate under subsection (6) above, but only to the extent that it does not exceed the rate contemporaneously in effect in the jurisdiction of the Participating Local that he is a member of or in whose jurisdiction he is regularly employed. Such credit shall also be counted as Future Service Credit in determining eligibility for pension benefits.
 - (ii) At least 12 months but less than 60 months of Future Service Credit earned in the other jurisdiction: such credit shall be taken into consideration in determining the Participant's final pension benefit in accordance with paragraph (C) below.
 - (iii) 60 or more months of Future Service Credit in the other jurisdiction: such credit shall be taken into consideration in determining the highest Contribution Rate under subsection (4) above, unless the highest Contribution Rate at which he earns 12 months of Future Service Credit in the other jurisdiction is lower than the highest Contribution Rate at which he earned 12 months of Future Service Credit in the first jurisdiction, in which case his benefit level shall be determined in accordance with paragraph (C) below.
- (B) If a Participant works for Contributing Employers in the jurisdiction of the same Local Union at different Contribution Rates, he shall receive credit and his benefit shall be determined as described in Section 5.02(a)(6), (7), (8), or (9) of Appendix A, whichever is applicable.
- (C) If a Participant leaves the jurisdiction of a Participating Local and earns at least 12 months of Future Service Credit under one or more other participating Local Unions, then the Normal Retirement Pension to which he shall be entitled at retirement shall be based on a weighted average Contribution Rate which shall be determined as follows:
- (i) The Participant's Future Service Credit under each local agreement where he earned 12 or more months of Future Service Credit shall be determined.
 - (ii) The highest Contribution Rate at which he earned at least 12 or more months of Future Service Credit under each such local agreement shall be determined.

- (iii) Based on the number of years in (i) above and the Contribution Rate in (ii) above, his weighted average Contribution Rate shall be determined and then applied to his total years of Future Service Credit earned within all participating local jurisdictions.
 - (iv) Past Service Credit shall be valued at the greater of the Participant's Contribution Rate in (iii) above or the highest Contribution Rate at which he first earned 12 or more months of Future Service Credit in his original Participating Local.
- (D) If a Participant works for the same Contributing Employer during the same Calendar Year in the same jurisdiction at different Contribution Rates provided for under different Collective Bargaining Agreements, the Contribution Rate for determining his benefit accrual for that Calendar Year shall be determined as follows:
- (i) If the Participant earns a full year of Future Service Credit at the highest Contribution Rate, his benefit accrual for that Calendar Year shall be based on such rate.
 - (ii) If the Participant does not earn a full year of Future Service Credit at the highest Contribution Rate, his benefit accrual for that Calendar Year shall be based on his weighted average Contribution Rate for all Hours of Work in that Calendar Year for said Contributing Employer.

Notwithstanding the provisions of this Section 5.02(a)(7) of this Appendix A, a Participant's Accrued Benefit shall not be less on any later date than it was on any earlier date.

- (8) Section 5.02(a)(7) of Appendix A shall not apply when a Participant leaves the jurisdiction of a Participating Local to work in the jurisdiction of a Participating Local:
- (A) whose Contribution Rate is not more than 0.13 (or such other differential amount as the Trustees may impose) higher or lower than the Contribution Rate of the Participating Local he left; or
 - (B) both jurisdictions are or have become jurisdictions within the same Local Union, whose Contribution Rates in both jurisdictions are identical on the Participant's Effective Date of Pension and he had earned a minimum of 12 months of Future Service Credit while such rates were identical.

- (9) Notwithstanding any provision in this Section 5.02(a) of Appendix A to the contrary, if a Contributing Employer becomes obligated to contribute to the Plan at a Contribution Rate that is lower than previously in effect, then the portion of the Participant's Accrued Benefit which is attributable to employment with that Contributing Employer as of the date prior to the effective date of such lower Contribution Rate shall be frozen at the level determined by applying Section 5.02(a) of Appendix A to all Pension Credit earned prior to such date. The portion of the Participant's Accrued Benefit which is attributable to employment with that Contributing Employer after the effective date of such lower Contribution Rate shall be determined under the provisions of this Section 5.02(a) of Appendix A without regard to any earlier employment, and shall then be aggregated with the frozen portion of the Participant's Accrued Benefit. Thus, the Participant's Accrued Benefit after the date the Contributing Employer became obligated to contribute at the lower rate shall not be less than his Accrued Benefit immediately before such date.
- (10) Effective March 1, 1987, Past Service Credit granted in accordance with Section 4.02(c)(2) of Appendix A shall be treated as if it were Future Service Credit in determining the Normal Retirement Pension payable under Section 5.02(a) of Appendix A, but only to the extent such period of employment is recognized as pension credit or the equivalent by the pension plan separately maintained by Sheet Metal Workers' Local Union #22, as certified by the Sheet Metal Workers' Local Union #22 pension plan in writing to the Participant and/or the Fund in a form and manner acceptable to the Trustees.

(b) Reduced Service/Vested Category

(1) Eligibility Requirements

To receive a Normal Retirement Pension under this reduced service/vested category, the Participant must:

- (A) (Reduced Service Category) have at least 15 years of Pension Credit and at least 12 months of Future Service Credit; or
- (B) (Vested Category) have attained Vested Status under Section 8.07 or have at least 10 years of Pension Credit, five of which are Future Service Credit.

(2) Amount of Normal Retirement Pension

The amount of a Participant's Normal Retirement Pension under this category shall be a percentage of the Normal Retirement Pension to which the Participant would be entitled under the full service category of Section 5.02(a) of Appendix A above (i.e., with 25 years of Pension Credit)

determined by dividing by 25 the years and months of the Participant's Pension Credit.

- (c) For purposes of this Section 5.02 of Appendix A, the term "Benefit Level" shall mean the dollar amount of monthly pension, subject to such adjustment in individual cases as may be required under the Plan Document, that can be provided by a given Contribution Rate in accordance with Section 5.02 of Appendix A.

Section 5.16 Contribution Rate Increases On or After October 1, 1994 but Before July 1, 1995

The following rules shall apply if the Contribution Rate in effect on September 30, 1994 is increased on or after October 1, 1994 but before July 1, 1995:

- (a) Except as provided in paragraph (c) below, if a Participant earns Future Service Credit under a Contribution Rate that was increased between October 1, 1994 and June 30, 1995, and the increase was negotiated or allocated before October 1, 1994, then for purposes of determining the Participant's monthly Normal Retirement Pension under the table set forth in Section 5.02(a)(3)(B) of Appendix A, the Contribution Rate that will be taken into account under such table shall be the Contribution Rate in effect on June 30, 1995, subject to Section 5.02(a)(6), (7), (8) and (9) of Appendix A; provided, however, that the Benefit Levels set forth in Section 5.02(a)(3)(B) of Appendix A are applicable to the Participant.
- (b) Except as provided in paragraph (c) below, if a Participant earns Future Service Credit under a Contribution Rate that was increased between October 1, 1994 and June 30, 1995, and such Contribution Rate increase was negotiated or allocated on or after October 1, 1994 but before July 1, 1995, then for purposes of determining the Participant's monthly Normal Retirement Pension under the table set forth in Section 5.02(a)(3)(B) of Appendix A, the Contribution Rate that will be taken into account under such table shall be the Contribution Rate in effect on September 30, 1994, subject to Section 5.02(a)(6), (7), (8) and (9) of Appendix A; provided, however, that the Benefit Levels set forth in Section 5.02(a)(3)(B) of Appendix A are applicable to the Participant. Further, if any Future Service Credit is credited to such Participant for the period October 1, 1994 through June 30, 1995 under a Contribution Rate that exceeds the Required Contribution Rate in effect for such period, his monthly Normal Retirement Pension, as determined under the preceding sentence, shall be increased to reflect the Future Service Credit credited at the Excess Contribution Rate. The amount by which the Participant's monthly Normal Retirement Pension shall be increased is equal to the product of:
 - (1) the Excess Contribution Rate; times
 - (2) \$38.00 for a Participant who performed Construction Work or \$40.00 for a Participant who performed Non-Construction Work; times

- (3) the Future Service Credit earned during the period.
- (c) Notwithstanding the foregoing or any other provision in this Section 5.16 of Appendix A, if a Contribution Rate increase was made by an Employer within the jurisdiction of Local Union #27 on or after June 1, 1995 but before July 1, 1995, then the Contribution Rate that will be taken into account under the table set forth in Section 5.02(a)(3)(B) of Appendix A shall be the Contribution Rate in effect on September 30, 1994, and there shall be no increase in the Normal Retirement Pension for Future Service Credit credited at an Excess Contribution Rate between June 1, 1995 and July 1, 1995.
- (d) For purposes of this Section 5.16 of Appendix A, the “Required Contribution Rate” shall mean the Contribution Rate in effect on December 31, 1990 divided by twelve cents (\$0.12) and multiplied by thirteen cents (\$0.13). However, if the Employer’s Contribution Date was on or after January 1, 1991 but before July 1, 1995, the Required Contribution Rate for purposes of this Section 5.16 of Appendix A shall be the Contribution Rate in effect on the Employer’s Contribution Date.
- (e) For purposes of this Section 5.16 of Appendix A, the “Excess Contribution Rate” shall be equal to:
 - (1) the total amount of contributions the Employer(s) is/are obligated to make on behalf of the Participant on the basis of the Contribution Rate at which the Participant earned Future Service Credit during the period October 1, 1994 through June 30, 1995; minus
 - (2) the total amount of contributions that would have been required to be made on behalf of the Participant had the Participant earned all of his Future Service Credit during the period October 1, 1994 through June 30, 1995 at the Required Contribution Rate; divided by
 - (3) the Participant’s total number of Hours of Work in Covered Employment during the period October 1, 1994 through June 30, 1995.

Section 8.11 Limitations on Benefits

- (a) This Section 8.11 of Appendix A sets forth the provisions for determining the limitations on the maximum permissible Annual Benefit payable to a Participant for limitation years prior to January 1, 2002. In addition to other limitations set forth in the Plan Document, and notwithstanding any other provision of the Plan Document, the Annual Benefit otherwise payable to a Participant at any time shall not exceed the maximum permissible amount set forth in subsection (d) below. If the benefit the Participant would otherwise accrue in a Plan Year would produce an Annual Benefit in excess of the maximum permissible amount, the rate of accrual will be reduced so that the Annual Benefit will equal the maximum permissible amount under subsection (d) below.

- (b) In determining the maximum permissible amount of Annual Benefits under the Plan, if a Participant has Pension Credit attributable to work performed for more than one Employer, his Annual Benefit under the Plan, and the limitations thereon, shall be determined separately with respect to each Employer. The Annual Benefit under the Plan attributable to a particular Employer shall be equal to the total Annual Benefit under the Plan multiplied by the ratio of Pension Credit attributable to such Employer to total Pension Credit.
- (c) If the Annual Benefit payable to a Participant is not more than \$1,000 multiplied by the Participant's number of Years of Service or parts thereof (not in excess of 10 years) with the Employer, and the Employer has not maintained a defined contribution plan, a welfare benefit plan, or an individual medical account in which such Participant participated, then the limitation in subsection (a) above shall not apply.
- (d) Maximum Permissible Benefit
 - (1) The maximum permissible benefit shall be the lesser of:
 - (A) \$90,000 (as adjusted in accordance with (2) below); or
 - (B) 100% of the Participant's Highest Average Compensation (as adjusted pursuant to Section 415(d)(1)(B) of the Code and the regulations thereunder).
 - (2) Effective January 1, 1988, and each January thereafter, the dollar limitation specified in paragraph (1), above, will be automatically adjusted by multiplying such limit by the cost-of-living adjustment prescribed by the Secretary of Treasury pursuant to Section 415(d) of the Code in such a manner as the Secretary shall prescribe. The new limitation will apply to Plan Years in which the date of adjustment occurs and to Plan Years thereafter.
 - (3) If the Participant has less than 10 years of participation with the Employer, the dollar limitation specified in paragraph (1), above, is reduced by one-tenth for each Year of Participation (or part thereof) less than ten. If the Participant has less than ten Years of Service with the Employer, the Compensation limitation is reduced by one-tenth for each Year of Service (or part thereof) less than ten. Years of Service shall include future years occurring before the Participant's Normal Retirement Age. Such future years shall include the year which contains the date the Participant reaches Normal Retirement Age, only if it can be reasonably anticipated that the Participant will receive a Year of Service for such year.
 - (4) If the Annual Benefit of the Participant commences before the Participant's Social Security Retirement Age, but on or after age 62, the \$90,000 limitation (after reduction in accordance with (3) above, if necessary) shall be determined as follows:

- (A) If a Participant's Social Security Retirement Age is 65, the \$90,000 limitation for benefits commencing on or after age 62 is determined by reducing the \$90,000 limitation by 5/9 of one percent for each month by which benefits commence before the month in which the Participant attains age 65.
 - (B) If a Participant's Social Security Retirement Age is greater than 65, the dollar limitation for benefits commencing on or after age 62 is determined by reducing the \$90,000 limitation by 5/12 of one percent for each of the additional months (up to 24 months) by which benefits commence before the month of the Participant's Social Security Age.
- (5) If the Annual Benefit of a Participant commences prior to age 62, the dollar limitation specified in paragraph (1), above, shall be the actuarial equivalent of an Annual Benefit beginning at age 62, as determined above, reduced for each month by which benefits commence before the month in which the Participant attains age 62. To determine actuarial equivalence, the interest rate assumption is the greater of the rate specified in Section 8.05 (with respect to lump-sum distributions) or 5 percent. Any decrease in the dollar limitation determined in accordance with this paragraph (5) shall not reflect the mortality decrement to the extent that benefits will not be forfeited upon the death of the Participant.
- (6) If the Annual Benefit of a Participant commences after the Participant's Social Security Retirement Age, the \$90,000 limitation specified in paragraph (1), above, (after reduction in (3) above, if necessary) shall be adjusted so that it is the actuarial equivalent of an Annual Benefit of such dollar limitation beginning at the Participant's Social Security Retirement Age. To determine actuarial equivalence, the interest rate assumption used is the lesser of the rate as specified in Section 8.05 (with respect to lump-sum distributions) or 5 percent.
- (7) If a Participant's Employer is an organization exempt from income tax under subtitle A of the Code, the following special rules shall apply for purposes of adjusting the \$90,000 limitation specified in paragraph (1), above, with respect to such a Participant:
- (A) If the Annual Benefit of the Participant begins before age 62, the \$90,000 limitation (after reduction in (3) above, if necessary) shall be adjusted so that it is the actuarial equivalent of an Annual Benefit which is equivalent to such dollar limitation beginning at age 62. However, in no event shall the \$90,000 limitation be reduced below (i) \$75,000 if the Annual Benefit begins at or after age 55 or (ii) if the Annual Benefit begins before age 55, the actuarial equivalent of the \$75,000 limitation for age 55. To determine actuarial equivalence, the interest rate assumption used

is the greater of the rate as specified in Section 8.05 of the Plan Document (with respect to lump-sum distributions) or 5 percent.

- (B) If the Participant's Annual Benefit begins after age 62 and before age 65, the \$90,000 limitation shall apply unadjusted.
- (C) If the Participant's Annual Benefit begins after age 65, the \$90,000 limitation shall be adjusted so that it is the actuarial equivalent of an Annual Benefit of such dollar limitation beginning at age 65. To determine actuarial equivalence in that case, the interest rate assumption shall be the rate specified in Section 8.05 of the Plan Document (with respect to lump-sum distributions) or 5 percent.

Notwithstanding the foregoing, the adjusted maximum permissible amount shall not be less than a Participant's current accrued benefit. A Participant's "current accrued benefit" is a Participant's Accrued Benefit, determined as if the Participant had separated from service as of the close of the last Plan Year beginning before January 1, 1987, when expressed as an Annual Benefit within the meaning of Section 415(b)(2) of the Code. In determining the amount of a Participant's current accrued benefit, the following shall be disregarded: (i) any change in the terms and conditions of the Plan after May 5, 1986; and (ii) any cost-of-living adjustment occurring after May 5, 1986.

- (e) This subsection (e) shall apply to any Participant who is covered, or has ever been covered, by another plan maintained by an Employer, including a qualified plan, a welfare benefit fund, or an individual medical account, or a simplified employee pension that provides an Annual Addition.
 - (1) If a Participant is, or has ever been, covered under more than one defined benefit plan maintained by an Employer, the sum of the Participant's Annual Benefits from all such plans of that Employer may not exceed the maximum permissible amount under subsection (d). For this purpose, all qualified defined benefit plans (without regard to whether a plan has been terminated) maintained by an Employer will be treated as one defined benefit plan, except that multiemployer plans (as defined in Section 414(f) of the Code), such as the Plan, shall not be aggregated with other multiemployer plans.
 - (2) For Plan Years before January 1, 2000, if an Employer maintains, or at any time maintained, one or more qualified defined contribution plans covering any Participant in this Plan, a welfare benefit fund, an individual medical account, or a simplified employee pension, the sum of the Participant's Defined Contribution Fraction and Defined Benefit Fraction, each as defined in the prior Plan, will not exceed 1.0 in any Plan Year. For purposes of this paragraph (2), all qualified defined contribution plans (without regard to whether a plan has been terminated) maintained by an Employer will be treated as one defined contribution plan, except that

multiemployer plans (as defined in Section 414(f) of the Code) shall not be aggregated with other multiemployer plans.

(f) Special Definitions

For purposes of this Section 8.11, the following special definitions shall apply even to the extent that a different definition is provided in Article I:

- (1) “Annual Benefit” shall mean: A retirement benefit under the Plan which is payable annually in the form of a straight life annuity. Except as provided below, a benefit payable in a form other than a straight life annuity must be adjusted to an actuarially equivalent straight life annuity before applying the limitations of this Section 8.11. The interest rate assumption used to determine actuarial equivalence will be the greater of the interest rate specified in Section 8.05 (with respect to lump-sum distributions) or 5 percent. The Annual Benefit does not include any assets transferred from a qualified plan that was not maintained by an Employer. No actuarial adjustment to the benefit is required for (A) the value of a qualified joint and survivor annuity, (B) the value of benefits that are not directly related to retirement benefits (such as the qualified disability benefit, pre-retirement death benefits, and post-retirement medical benefits), and (c) the value of post-retirement cost-of-living increases made in accordance with Section 415(d) of the Code and Treasury Regulation Section 1.415-3(c)(2)(iii).
- (2) “Annual Addition” shall mean: The sum of the following amounts credited to a Participant’s account for the Plan Year:
 - (A) Employer contributions;
 - (B) employee contributions;
 - (C) forfeitures;
 - (D) amounts allocated after March 31, 1984, to an individual medical account that is part of a pension or annuity plan maintained by an Employer are treated as Annual Additions to a defined contribution plan. Also, amounts derived from contributions paid or accrued after December 31, 1985, in taxable years ending after such date, that are attributable to post-retirement medical benefits allocated to the separate account of a key employee (as defined in Section 419A(d)(3) of the Code) under a welfare benefit fund are treated as Annual Additions to a defined contribution plan; and
 - (E) allocations under simplified employee pension plan.
- (3) “Employer” shall mean: Employer shall mean a Contributing Employer and all members of a controlled group of corporations (as defined in

Section 414(b) of the Code, as modified by Section 415(b) of the Code), all commonly controlled trades and businesses (as defined in Section 414(c) of the Code, as modified by Section 415(h) of the Code), or affiliated service groups (as defined in Section 414(m) of the Code) of which the Contributing Employer is a part, and any other entity required to be aggregated with the Contributing Employer pursuant to Section 414(o) of the Code.

- (4) “Highest Average Compensation” shall mean: The average Compensation for the three consecutive Years of Service with an Employer that produces the highest average.
- (5) “Projected Annual Benefit” shall mean: The Annual Benefit to which the Participant would be entitled under the Plan assuming:
 - (A) the Participant will continue employment until Normal Retirement Age (or current age, if later), and
 - (B) the Participant’s Compensation for the current Plan Year and all other relevant factors used to determine benefits under the Plan will remain constant for all future Plan Years.
- (6) “Social Security Retirement Age” shall mean: Age 65 in the case of a Participant attaining age 62 before January 1, 2000 (i.e., born before January 1, 1938), age 66 for a Participant attaining age 62 after December 31, 1999 and before January 1, 2017 (i.e., born after December 31, 1937, but before January 1, 1955) and age 67 for a Participant attaining age 62 after December 31, 2016 (i.e., born after December 31, 1954).
- (7) “Year of Participation” shall mean: The Participant shall be credited with a Year of Participation (computed to fractional parts of a year) for each Calendar Year in which (1) he is credited with at least one month of Future Service Credit under Article 4, and (2) the Participant is included as a Participant under the Article 3 of the Plan Document) for at least one day of the Calendar Year. If these two conditions are met, the portion of a Year of Participation credited to the Participant shall equal the amount of Future Service Credit credited to the Participant for such Calendar Year. A Participant who is permanently and totally disabled within the meaning of Section 415(c)(3)(C)(i) of the Code for a Calendar Year shall receive a Year of Participation with respect to that Calendar Year. In addition, for a Participant to receive a Year of Participation (or part thereof) for a Calendar Year, the Plan must have been established no later than the last day of such Calendar Year. In no event will more than one Year of Participation be credited for any 12-month period.

(g) Miscellaneous

- (1) This Section 8.11 is intended to implement the requirements of Section 415 of the Code. In the event of any conflict between the provisions of this Section 8.11 and Section 415 of the Code, the provisions of Section 415 of the Code shall take precedence.
- (2) For purposes of applying the requirements of Section 415 of the Code, the limitation year under the Plan shall be the Plan Year. All other qualified plans maintained by an Employer must use the same limitation year as this Plan.

Section 9.03 Eligibility Rules for the NPF COLA Benefit

- (a) A Participant shall be eligible to receive the NPF COLA Benefit only if the Participant meets the following requirements:
 - (1) The Participant has received pension benefits from the Plan for the twelve (12) consecutive month period ending on the Allocation Date, including any retroactive pension payments;
 - (2) The Participant is eligible to receive a pension benefit on such Allocation Date;
 - (3) The Participant has not at any time after January 1, 1991 performed any employment in the Sheet Metal Industry that was not covered by a collective bargaining agreement between the Union and the employer; provided, however, that, if the Participant had attained Vested Status under Section 8.07 prior to the date on which he first performed such non-covered employment, this subsection (a)(3) shall not apply to the extent that it would result in a forfeiture of any part of his Accrued Benefit; and
 - (4) Effective January 1, 1995, the Participant separated from Covered Employment on or after January 1, 1991 (as determined under Article 5).
- (b) A Beneficiary (as defined in Section 1.03 of the Plan Document) shall be eligible to receive an NPF COLA Benefit only if (i) the Beneficiary meets the requirements of subsections (a)(1) and (2) above, determined as if the Beneficiary were the Participant (but including payments received by the Participant), and (ii) effective January 1, 1995, the Beneficiary's benefits are derived from a Participant who separated from Covered Employment on or after January 1, 1991 (as determined under Article 5). An eligible Beneficiary shall receive an NPF COLA Benefit in the same manner as an eligible Participant, but determined as if the amount payable to such Beneficiary had been payable since the commencement of benefits to the Participant.
- (c) In the event that a Participant is ineligible for an NPF COLA Benefit pursuant to subsection (a)(3) above, the Participant's eligibility shall be reinstated if he

terminates the non-covered employment of the type described in subsection (a)(3) above and then returns to Covered Employment and earns a number of "Pension Credit" months, as that term is defined in Article 4, equal to the number of months during which he was previously employed for at least one hour in the Sheet Metal Industry at a position not covered by a collective bargaining agreement between the Union and the employer. Notwithstanding the foregoing, effective January 1, 2003, an Employee or Participant who returns to Covered Employment after working in the Sheet Metal Industry in a position not covered by a collective bargaining agreement between the Union and the employer shall have his ineligibility waived provided he (1) terminates the non-covered employment, (2) returns to Covered Employment between January 1, 2002 and December 31, 2004, and (3) thereafter earns at least twelve (12) months of Future Service Credit.

- (d) A Participant or Employee's right to reinstatement of his entitlement of an NPF COLA Benefit pursuant to subsection (c) above shall be limited to his return to Covered Employment after being employed for at least one hour in the Sheet Metal Industry at a position not covered by a collective bargaining agreement between the Union and the employer. If the Participant or Employee then leaves Covered Employment and is again employed for at least one hour in the Sheet Metal Industry at a position not covered by a collective bargaining agreement between the Union and the employer, a subsequent return to Covered Employment shall not qualify for the remedial provisions set forth in subsection (c) above (to the extent consistent with Section 411 of the Code).

Section 9.06 Ad Hoc COLA

- (a) Generally

The general rules under which the Trustees may, but need not, provide an Ad Hoc COLA are set forth of in Section 9.06 (a) of the Plan Document.

- (b) 1995 Ad Hoc COLA Payment

- (1) Effective October 31, 1995, subject to the limitations set forth in Section 8.11 (relating to the limitations set forth in Section 415 of the Code), an Ad Hoc COLA shall be paid for the Plan Year ending December 31, 1995 ("1995 Ad Hoc COLA") to each Eligible Participant and Eligible Beneficiary in an amount equal to the product of:

- (A) The amount of pension benefits received by the Eligible Participant or Eligible Beneficiary from the Plan for the twelve (12) consecutive month period ending on October 31, 1995 (the "annual pension benefit"), multiplied by;
- (B) Five percent (5%).

In calculating the 1995 Ad Hoc COLA payment, the amount of the annual pension benefit received by an Eligible Participant or Eligible Beneficiary shall be based on the amount he received under the form of benefit payment elected by the Eligible Participant under the Plan Document, except that in the case of an Eligible Participant who elected the Level Income Option, the amount of the annual pension benefit shall be calculated by determining the annual pension benefit to which he was entitled before he elected said Level Income Option. In no event shall any COLA payment be treated as a pension benefit for purposes of determining an Eligible Participant's or Eligible Beneficiary's annual pension benefit under the Plan Document.

- (2) For purposes of this Section 9.06(b) of Appendix A, the term "Eligible Participant" shall mean a Participant who:
 - (A) Received pension benefits from the Plan for the twelve (12) consecutive month period ending on October 31, 1995 and is eligible to receive a pension benefit on October 31, 1995;
 - (B) Retired from an area within the jurisdiction of a Participating Local whose Collective Bargaining Agreement (i) required signatory Employers to increase their Contribution Rates on or before October 31, 1995 by at least the Required Pension Fund Increase, and (ii) required signatory Employers to contribute to the Sheet Metal Workers' National COLA Fund at the Required COLA Fund Rate;
 - (C) Separated from Covered Employment prior to January 1, 1991 (as determined under Article 5); and
 - (D) Did not at any time after his Contribution Date perform any work in the Sheet Metal Industry that was not covered by a collective bargaining agreement between the Union and the employer.
- (3) For purposes of this Section 9.06(b) of Appendix A, the term "Eligible Beneficiary" shall mean a Beneficiary (as defined in Section 1.03 of the Plan Document) who meets the requirements of (A) and (B) in subsection (b)(2) above, determined as if the Beneficiary were the Participant (but including pension payments received by the Participant), and whose benefits are derived from a Participant who separated from Covered Employment before January 1, 1991 (as determined under Article 5).
- (4) Notwithstanding any provision in this subsection (b) to the contrary, if a Participant (i) died after November 1, 1994 but before October 31, 1995, (ii) separated from Covered Employment before January 1, 1991 (as determined under Article 5), (iii) elected a form of pension benefit that does not continue after his death, and (iv) met the definition of "Eligible Participant" in subsection (b)(2) above (to the extent possible) on the date

of his death, then a 1995 Ad Hoc COLA shall be payable in an amount equal to five percent (5%) times the amount of pension benefits received from the Plan during the period November 1, 1994 through the date of his death. Such 1995 Ad Hoc COLA shall be paid as follows:

- (A) to the Participant's spouse;
- (B) if no spouse survives the Participant, to his children; or
- (C) if no children survive the Participant, to his parents.

If none of those persons survive the Participant, no 1995 Ad Hoc COLA shall be paid. This subsection (b)(4) shall also apply in the event of the death of a Beneficiary (as defined in Section 1.03 of the Plan Document) who met the definition of an Eligible Beneficiary under subsection (b)(3) above (to the extent possible) on the date of his death and who has a pension benefit that does not continue after the Beneficiary's death.

- (5) Notwithstanding any provision in this subsection (b) to the contrary, if a Participant or Beneficiary (as defined in Section 1.03) would have met the definition of an Eligible Participant or Eligible Beneficiary but for the requirement of subsection (b)(2)(B) above, such Participant or Beneficiary shall be eligible to receive a 1995 Ad Hoc COLA payment in an amount equal to:

- (A) the amount determined under subsection (b)(1) above, multiplied by;
- (B) a fraction, the numerator of which is the sum of the portion of the Required Pension Fund Increase that has been made as of October 31, 1995 and the portion of the Required COLA Fund Contribution Rate that is applicable, and the denominator of which is the sum of the Required Pension Fund Increase and the Required COLA Fund Contribution Rate.

This subsection (b)(5) shall also apply for purposes of subsection (b)(4) above.

(c) 1996 Ad Hoc COLA Payment

- (1) Effective October 31, 1996, subject to the limitations set forth in Section 8.11 (relating to the limitations imposed by Section 415 of the Code), an Ad Hoc COLA shall be paid for the Plan Year ending December 31, 1996 to each Eligible Participant and Eligible Beneficiary in an amount equal to the product of:

- (A) The amount of pension benefits received by the Eligible Participant or Eligible Beneficiary from the Plan for the twelve (12)

consecutive month period ending on October 31, 1996 (the “annual pension benefit”), multiplied by;

- (B) Eight percent (8%).

In calculating the amount of the 1996 Ad Hoc COLA payment, the amount of the annual pension benefit received by an Eligible Participant or Eligible Beneficiary shall be based on the amount he received under the form of benefit payment elected by the Eligible Participant under the Plan Document, except that in the case of an Eligible Participant who elected the Level Income Option, the amount of the annual pension benefit shall be calculated by determining the annual pension benefit to which he was entitled before he elected said Level Income Option. In no event shall any COLA payment be treated as a pension benefit for purposes of determining an Eligible Participant’s or Eligible Beneficiary’s annual pension benefit under the Plan Document.

- (2) For purposes of this Section 9.06(c) of Appendix A, the term “Eligible Participant” shall mean a Participant who:
 - (A) Received pension benefits from the Plan for the twelve (12) consecutive month period ending on October 31, 1996 and is eligible to receive a pension benefit on October 31, 1996;
 - (B) Retired from an area within the jurisdiction of a Participating Local whose Collective Bargaining Agreement required signatory Employers to increase their Contribution Rates on or before October 31, 1996 by at least the Required Pension Fund Increase;
 - (C) Separated from Covered Employment prior to January 1, 1991 (as determined under Article 5); and
 - (D) Did not at any time after his Contribution Date perform any work in the Sheet Metal Industry that was not covered by a collective bargaining agreement between the Union and the employer.
- (3) For purposes of this Section 9.06(c) of Appendix A, the term “Eligible Beneficiary” shall mean a Beneficiary (as defined in Section 1.03 of the Plan Document) who meets the requirements of (A) and (B) in subsection (c)(2) above, determined as if the Beneficiary were the Participant (but including pension payments received by the Participant), and whose benefits are derived from a Participant who separated from Covered Employment before January 1, 1991 (as determined under Article 5).
- (4) Notwithstanding any provision in this subsection (c) to the contrary, if a Participant (i) died after November 1, 1995 but before October 31, 1996, (ii) separated from Covered Employment before January 1, 1991 (as determined under Article 5), (iii) elected a form of pension benefit that

does not continue after his death, and (iv) met the definition of “Eligible Participant” (to the extent possible) on the date of his death, then a 1996 Ad Hoc COLA shall be payable in an amount equal to eight percent (8%) times the amount of pension benefits received from the Plan by the Participant during the period November 1, 1995 through the date of his death. Such 1996 Ad Hoc COLA shall be paid as follows:

- (A) to the Participant’s spouse;
- (B) if no spouse survives the Participant, to his children; or
- (C) if no children survive the Participant, to his parents.

If none of those persons survive the Participant, no 1996 Ad Hoc COLA shall be paid. This subsection (c)(4) shall also apply in the event of the death of a Beneficiary (as defined in Section 1.03 of the Plan Document) who met the definition of an Eligible Beneficiary (to the extent possible) on the date of his death and who has a pension benefit that does not continue after the Beneficiary’s death.

- (5) Notwithstanding any provision in this subsection (c) to the contrary, if a Participant or Beneficiary (as defined in Section 1.03 of the Plan Document) would have met the definition of an Eligible Participant or Eligible Beneficiary but for the requirement of subsection (c)(2)(B) above, such Participant or Beneficiary shall be eligible to receive a 1996 Ad Hoc COLA payment in an amount equal to:

- (A) the amount determined under subsection (c)(1) above, multiplied by;
- (B) a fraction, the numerator of which is the portion of the Required Pension Fund Increase that has been made, and the denominator of which is the Required Pension Fund Increase.

This subsection (c)(5) shall also apply for purposes of subsection (c)(4) above.

(d) 1998 Ad Hoc COLA Payment

- (1) Effective October 31, 1998, subject to the limitations set forth in Section 8.11 (relating to the limitations imposed by Section 415 of the Code), an Ad Hoc COLA shall be paid for the Plan Year ending December 31, 1998 to each Eligible Participant and Eligible Beneficiary in an amount equal to the product of:

- (A) the amount of pension benefits received by the Eligible Participant or Eligible Beneficiary from the Plan for the twelve (12)

consecutive month period ending on October 31, 1998 (the “annual pension benefit”), multiplied by;

(B) 0.026 (2.6%).

In calculating the 1998 Ad Hoc COLA payment, the amount of the annual pension benefit received by an Eligible Participant or Eligible Beneficiary shall be based on the amount he received under the form of benefit payment elected by the Eligible Participant under the Plan Document, except that in the case of an Eligible Participant who elected the Level Income Option, the amount of the annual pension benefit shall be calculated by determining the annual pension benefit to which he was entitled before he elected said Level Income Option. In no event shall any COLA payment be treated as part of an Eligible Participant’s or Eligible Beneficiary’s annual pension benefit for purposes of this Section 9.06(d).

(2) For purposes of this Section 9.06(d) of Appendix A, the term “Eligible Participant” shall mean a Participant who:

(A) received pension benefits from the Plan for the twelve (12) consecutive month period ending on October 31, 1998 and is eligible to receive a pension benefit on October 31, 1998;

(B) retired from an area within the jurisdiction of a Participating Local whose Collective Bargaining Agreement required signatory Employers to increase their Contribution Rates by at least the Required Pension Fund Increase;

(C) separated from Covered Employment prior to January 1, 1991 (as determined under Article 5 of the Plan Document); and

(D) did not at any time after his Contribution Date perform any work in the Sheet Metal Industry that was not covered by a collective bargaining agreement between the Union and his Employer.

(3) For purposes of this Section 9.06(d) of Appendix A, the term “Eligible Beneficiary” shall mean a Beneficiary (as defined in Section 1.03 of the Plan Document) who satisfies the requirements of (A) and (B) in subsection (d)(2) above, determined as if the Beneficiary were the Participant (but including pension payments received by the Participant), and whose benefits under the Plan are derived from a Participant who separated from Covered Employment before January 1, 1991 (as determined under Article 5 of the Plan Document).

(4) If a Participant (i) died after November 1, 1997 but before October 31, 1998, (ii) separated from Covered Employment before January 1, 1991 (as determined under Article 5 of the Plan Document), (iii) elected a form of pension benefit that does not continue after his death, and (iv) met the

definition of “Eligible Participant” (to the extent possible) on the date of his death, then a 1998 Ad Hoc COLA shall be payable in an amount equal to 0.026 (2.6%) times the amount of pension benefits received from the Plan by the Participant during the period November 1, 1997 through the date of his death. Such 1998 Ad Hoc COLA shall be paid as follows:

- (A) to the Participant’s spouse;
- (B) if no spouse survives the Participant, to his children; or
- (C) if no children survive the Participant, to his parents.

If none of those persons survive the Participant, no 1998 Ad Hoc COLA shall be paid. This subsection (d)(4) shall also apply in the event of the death of a Beneficiary (as defined in Section 1.03 of the Plan Document) who met the definition of an “Eligible Beneficiary” (to the extent possible) on the date of his death and who has a pension benefit that does not continue after the Beneficiary’s death.

- (5) If a Participant or Beneficiary (as defined in Section 1.03 of the Plan Document) would have met the definition of an “Eligible Participant” or “Eligible Beneficiary” but for the requirement of subsection (d)(2)(B) above, such Participant or Beneficiary shall be entitled to receive a 1998 Ad Hoc COLA payment in an amount equal to:
 - (A) the amount determined under subsection (d)(1) above, multiplied by
 - (B) a fraction, the numerator of which is the portion of the Required Pension Fund Increase that has been made, and the denominator of which is the Required Pension Fund Increase.

This subsection (d) (5) shall also apply for purposes of subsection (d)(4) above.

(e) 1999 Ad Hoc COLA Payment

- (1) Effective October 31, 1999, subject to the limitations set forth in Section 8.11 (relating to the limitations imposed by Section 415 of the Code), an Ad Hoc COLA shall be paid for the Plan Year ending December 31, 1999 to each Eligible Participant and Eligible Beneficiary in an amount equal to the product of:
 - (A) the amount of pension benefits received by the Eligible Participant or Eligible Beneficiary from the Plan for the twelve (12) consecutive month period ending on October 31, 1999 (the “annual pension benefit”), multiplied by;

(B) 0.094 (9.4%)

In calculating the 1999 Ad Hoc COLA payment, the amount of the annual pension benefit received by an Eligible Participant or Eligible Beneficiary shall be based on the amount he received under the form of benefit payment elected by the Eligible Participant under the Plan Document, except that in the case of an Eligible Participant who elected the Level Income Option, the amount of the annual pension benefit shall be calculated by determining the annual pension benefit to which he was entitled before he elected said Level Income Option. In no event shall any COLA payment be treated as part of an Eligible Participant's or Eligible Beneficiary's annual pension benefit for purposes of this Section 9.06(e) of Appendix A.

- (2) For purposes of this Section 9.06(e) of Appendix A, the term "Eligible Participant" shall mean a Participant who:
- (A) received pension benefits from the Plan for the twelve (12) consecutive month period ending on October 31, 1999 and is eligible to receive a pension benefit on October 31, 1999;
 - (B) retired from an area within the jurisdiction of a Participating Local whose Collective Bargaining Agreement required signatory Employers to increase their Contribution Rates by at least the Required Pension Fund Increase;
 - (C) separated from Covered Employment prior to January 1, 1991 (as determined under Article 5 of the Plan Document); and
 - (D) did not at any time after his Contribution Date perform any work in the Sheet Metal Industry that was not covered by a collective bargaining agreement between the Union and his employer.
- (3) For purposes of this Section 9.06(e) of Appendix A, the term "Eligible Beneficiary" shall mean a Beneficiary (as defined in Section 1.03 of the Plan Document) who satisfies the requirements of (A) and (B) in subsection (e)(2) above, determined as if the Beneficiary were the Participant (but including pension payments received by the Participant), and whose benefits under the Plan are derived from a Participant who separated from Covered Employment before January 1, 1991 (as determined under Article 5 of the Plan Document).
- (4) If a Participant (i) died after November 1, 1998 but before October 31, 1999, (ii) separated from Covered Employment before January 1, 1991 (as determined under Article 5 of the Plan Document), (iii) elected a form of pension benefit that does not continue after his death, and (iv) met the definition of "Eligible Participant" (to the extent possible) on the date of his death, then a 1999 Ad Hoc COLA shall be payable in an amount equal

to 0.094 (9.4%) times the amount of pension benefits received from the Plan by the Participant during the period November 1, 1998 through the date of his death. Such 1999 Ad Hoc COLA shall be paid as follows:

- (A) to the Participant's spouse;
- (B) if no spouse survives the Participant, to his children; or
- (C) if no children survive the Participant, to his parents.

If none of these persons survive the Participant, no 1999 Ad Hoc COLA shall be paid. This subsection (e)(4) shall also apply in the event of the death of a Beneficiary (as defined in Section 1.03 of the Plan Document) who met the definition of an "Eligible Beneficiary" (to the extent possible) on the date of his death and who has a pension benefit that does not continue after the Beneficiary's death.

- (5) If a Participant or Beneficiary (as defined in Section 1.03 of the Plan Document) would have met the definition of an "Eligible Participant" or "Eligible Beneficiary" but for the requirement of subsection (e)(2)(B) above, such Participant or Beneficiary shall be entitled to receive a 1999 Ad Hoc COLA payment in an amount equal to:

- (A) the amount determined under subsection (e)(1) above, multiplied by;
- (B) a fraction, the numerator of which is the portion of the Required Pension Fund Increase that has been made, and the denominator of which is the Required Pension Fund Increase.

This subsection (e)(5) shall also apply for purposes of subsection (e)(4) above.

(f) 2000 Ad Hoc COLA Payment

- (1) Effective October 31, 2000, subject to the limitations set forth in Section 8.11 (relating to the limitations imposed by Section 415 of the Code), an Ad Hoc COLA shall be paid for the Plan Year ending December 31, 2000 to each Eligible Participant and Eligible Beneficiary in an amount equal to the product of:

- (A) the amount of pension benefits received by the Eligible Participant or Eligible Beneficiary from the Plan for the twelve (12) consecutive month period ending on October 31, 2000 (the "annual pension benefit"), multiplied by;
- (B) 0.04 (4%).

Notwithstanding the foregoing, the 2000 Ad Hoc COLA payment to any individual shall not be less than the minimum dollar amount of \$25.00 and shall not exceed the maximum dollar amount of \$200.00.

In calculating the 2000 Ad Hoc COLA payment, the amount of the annual pension benefit received by an Eligible Participant or Eligible Beneficiary shall be based on the amount he received under the form of benefit payment elected by the Eligible Participant under the Plan Document, except that in the case of an Eligible Participant who elected the Level Income Option, the amount of the annual pension benefit shall be calculated by determining the annual pension benefit to which he was entitled before he elected said Level Income Option. In no event shall any COLA payment be treated as part of an Eligible Participant's or Eligible Beneficiary's annual pension benefit for purposes of this Section 9.06(f) of Appendix A.

- (2) For purposes of this Section 9.06(f) of Appendix A, the term "Eligible Participant" shall mean a Participant who:
 - (A) received pension benefits from the Plan for the twelve (12) consecutive month period ending on October 31, 2000 and is eligible to receive a pension benefit on October 31, 2000;
 - (B) retired from an area within the jurisdiction of a Participating Local whose Collective Bargaining Agreement required signatory employers to increase their Contribution Rates by at least the Required Pension Fund Increase;
 - (C) separated from Covered Employment prior to January 1, 1991 (as determined under Article 5 of the Plan Document); and
 - (D) did not at any time after his Contribution Date perform any work in the Sheet Metal Industry that was not covered by a collective bargaining agreement between the Union and his employer.
- (3) For purposes of this Section 9.06(f) of Appendix A, the term "Eligible Beneficiary" shall mean a Beneficiary (as defined in Section 1.03 of the Plan Document) who satisfies the requirements of (A) and (B) in subsection (f)(2) above, determined as if the Beneficiary were the Participant (but including pension payments received by the Participant), and whose benefits under the Plan are derived from a Participant who separated from Covered Employment before January 1, 1991 (as determined under Article 5 of the Plan Document).
- (4) If a Participant (i) died after November 1, 1999 but before October 31, 2000, (ii) separated from Covered Employment before January 1, 1991 (as determined under Article 5 of the Plan Document), (iii) elected a form of

benefit that does not continue after his death, and (iv) met the definition of “Eligible Participant” (to the extent possible) on the date of his death, then a 2000 Ad Hoc COLA shall be payable in an amount equal to 0.04 (4%), times the amount of pension benefits received from the Plan by the Participant during the period November 1, 1999 through the date of his death but subject to a minimum dollar amount of \$25.00 and a maximum dollar amount of \$200.00. Such 2000 Ad Hoc COLA shall be paid as follows:

- (A) the Participant’s spouse;
- (B) if no spouse survives the Participant, to his children; or
- (C) if no children survive the Participant, to his parents.

If none of these persons survive the Participant, no 2000 Ad Hoc COLA shall be paid. This subsection (f)(4) shall also apply in the event of the death of a Beneficiary (as defined in Section 1.03 of the Plan Document) who met the definition of an “Eligible Beneficiary” (to the extent possible) on the date of this death and who has a pension benefit that does not continue after the Beneficiary’s death.

- (5) If a Participant or Beneficiary (as defined in Section 1.03 of the Plan Document), would have met the definition of an “Eligible Participant” or “Eligible Beneficiary” but for the requirement of subsection (f)(2)(B) above, such Participant or Beneficiary shall be entitled to receive a 2000 Ad Hoc COLA payment in an amount equal to:

- (A) the amount determined under subsection (f)(1) above, multiplied by;
- (B) a fraction, the numerator of which is the portion of the Required Pension Fund Increase that has been made, and the denominator of which is the Required Pension Fund Increase.

This subsection (f)(5) shall also apply for purposes of subsection (f)(4) above.

(g) 2001 Ad Hoc COLA Payment

- (1) Effective October 31, 2001, subject to the limitations set forth in Section 9.11 (relating to the limitations imposed by Section 415 of the Code), an Ad Hoc COLA shall be paid for the Plan Year ending December 31, 2001 to each Eligible Participant and Eligible Beneficiary in an amount equal to the product of:

- (A) the amount of pension benefits received by the Eligible Participant or Eligible Beneficiary from the Plan for the twelve (12) consecutive month period ending on October 31, 2001 (the “annual pension benefit”), multiplied by;
- (B) 0.01 (1%).

Notwithstanding the foregoing, the 2001 Ad Hoc COLA payment to any individual shall not be less than the minimum dollar amount of \$25.00.

In calculating the 2001 Ad Hoc COLA payment, the amount of the annual pension benefit received by an Eligible Participant or Eligible Beneficiary shall be based on the amount he received under the form of benefit payment elected by the Eligible Participant under the Plan Document, except that in the case of an Eligible Participant who elected the Level Income Option, the amount of the annual pension benefit shall be calculated by determining the annual pension benefit to which he was entitled before he elected said Level Income Option. In no event shall any COLA payment be treated as part of an Eligible Participant’s or Eligible Beneficiary’s annual pension benefit for purposes of this Section 9.06(g) of Appendix A.

- (2) For purposes of this Section 9.06(g) of Appendix A, the term “Eligible Participant” shall mean a Participant who:
 - (A) received pension benefits from the Plan for the twelve (12) consecutive month period ending on October 31, 2001 and is eligible to receive a pension benefit on October 31, 2001;
 - (B) retired from an area within the jurisdiction of a Participating Local whose Collective Bargaining Agreement required signatory employers to increase their Contribution Rates by at least the Required Pension Fund Increase;
 - (C) separated from Covered Employment prior to January 1, 1991 (as determined under Article 5 of the Plan Document); and
 - (D) did not at any time after his Contribution Date perform any work in the Sheet Metal Industry that was not covered by a collective bargaining agreement between the Union and his employer.
- (3) For purposes of this Section 9.06(g) of Appendix A, the term “Eligible Beneficiary” shall mean a Beneficiary (as defined in Section 1.03 of the Plan Document) who satisfies the requirements of (A) and (B) in subsection (g)(2) above, determined as if the Beneficiary were the Participant (but including pension payments received by the Participant),

and whose benefits under the Plan are derived from a Participant who separated from Covered Employment before January 1, 1991 (as determined under Article 5 of the Plan Document).

- (4) If a Participant (i) died after November 1, 2000 but before October 31, 2001, (ii) separated from Covered Employment before January 1, 1991 (as determined under Article 5 of the Plan Document), (iii) elected a form of benefit that does not continue after his death, and (iv) met the definition of “Eligible Participant” (to the extent possible) on the date of his death, then a 2001 Ad Hoc COLA shall be payable in an amount equal to 0.01 (1%), times the amount of pension benefits received from the Plan by the Participant during the period November 1, 2000 through the date of his death, but subject to a minimum dollar amount of \$25.00. Such 2001 Ad Hoc COLA shall be paid as follows:
- (A) to the Participant’s spouse;
 - (B) if no spouse survives the Participant, to his children; or
 - (C) if no children survive the Participant, to his parents.

If none of these persons survive the Participant, no 2001 Ad Hoc COLA shall be paid. This subsection (g)(4) shall also apply in the event of the death of a Beneficiary (as defined in Section 1.03 of the Plan Document) who met the definition of an “Eligible Beneficiary” (to the extent possible) on the date of this death and who has a pension benefit that does not continue after the Beneficiary’s death.

- (5) If a Participant or Beneficiary (as defined in Section 1.03 of the Plan Document), would have met the definition of an “Eligible Participant” or “Eligible Beneficiary” but for the requirement of subsection (g)(2)(B) above, such Participant or Beneficiary shall be entitled to receive a 2001 Ad Hoc COLA payment in an amount equal to:
- (A) the amount determined under subsection (g)(1) above, multiplied by;
 - (B) a fraction, the numerator of which is the portion of the Required Pension Fund Increase that has been made, and the denominator of which is the Required Pension Fund Increase.

This subsection (g)(5) shall also apply for purposes of subsection (g)(4) above.

Section 15.01 Retiree Health Benefits

The eligibility rules in effect on or after January 1, 1999, and before January 1, 2002, for retiree health benefits, are as follows:

- (a) Eligibility –
 - (1) With respect to a Payee or Eligible Dependent who becomes eligible to receive benefits under this Section on or after January 1, 1999 or before January 1, 2002, the Payee's or Eligible Dependent's eligibility for a retiree medical benefit shall commence on the first day of the first month on which all of the following conditions have been satisfied:
 - (A) (i) with respect to benefits payable to a Payee, the Payee is enrolled in Medicare Parts A and B, or (ii) with respect to benefits payable to an Eligible Dependent, the Eligible Dependent is enrolled in Medicare Parts A and B;
 - (B) (i) with respect to benefits payable to a Payee, the Payee is a member in good standing of the Union, or (ii) with respect to benefits payable to an Eligible Dependent, the Payee is (or, if the Payee is deceased, was upon his or her death) a member in good standing of the Union;
 - (C) the Payee's Local has negotiated a current Contribution Rate of at least \$.72 per hour with the Payee's last Contributing Employer or the Payee's former bargaining unit within the Local's jurisdiction for Construction Work, or a current Contribution Rate of at least \$.36 per hour with the Payee's last Contributing Employer or the Payee's former bargaining unit within the Local's jurisdiction for Non-Construction Work; and
 - (D) the Payee has made application for his or her retiree medical benefit on a form provided by the Fund and has presented satisfactory evidence that the foregoing conditions are satisfied.
 - (2) Such a Payee's or Eligible Dependent's eligibility for retiree medical benefits shall cease on the day on which he or she fails to meet one or more of the preceding conditions applicable to the Payee or an Eligible Dependent.

Section 16.03 (d)

Notwithstanding the provision of Section 16.03(c), effective January 1, 2003, an Employee or Participant who returns to Covered Employment after working in the Sheet Metal Industry in a

position not covered by a Collective Bargaining Agreement between the Union and the employer shall have his ineligibility waived provided he (1) terminates the non-covered employment, (2) returns to Covered Employment between January 1, 2002 and December 31, 2004, and (3) thereafter earns at least twelve (12) months of Future Service Credit.

Section 16.04(c)

Notwithstanding the foregoing, effective January 1, 2003, an Employee or Participant who returns to Covered Employment after working in the Sheet Metal Industry in a position not covered by a Collective Bargaining Agreement between the Union and the employer shall have his ineligibility waived provided he (1) terminates the non-covered employment, (2) returns to Covered Employment between January 1, 2002 and December 31, 2004, and (3) thereafter earns at least twelve (12) months of Future Service Credit.