Southern Alaska Carpenters Retirement Plan

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401R 9/09

2009 Southern Alaska Carpenters Retirement Plan

SOUTHERN ALASKA CARPENTERS
Retirement Plan

2009 EDITION

SOUTHERN ALASKA CARPENTERS RETIREMENT PLAN CHANGES

August 18, 2014

To: All Retirees

Re: Southern Alaska Carpenters Retirement Plan
Plan Changes

Dear Retiree,

You may hear of some upcoming changes to the Southern Alaska Carpenters Retirement Plan for active members. As a courtesy, we wanted to let you know what's happening and assure you that **your benefits are not affected** by these changes. Benefits for current retirees and their beneficiaries will continue to be paid on the same basis as before.

Changes Apply Only to Hours Worked Beginning January 1, 2015
Beginning with hours worked January 1, 2015, Retirement Plan benefits will be earned under a new pension formula. Members will keep the benefits they earn on hours worked through December 31, 2014. Then, benefits earned on hours worked beginning January 1, 2015 will be under a new variable annuity pension benefit formula.

The new formula:

- Continues to provide lifelong income
- Offers potential for growth (during members' careers and during retirement) to help protect against the loss of buying power that comes with inflation
- Continues to have professionally managed investments
- Continues to protect participants from most downside investment risk.

Why Are These Changes Needed?
The 2008 market downturn hurt all pension plans. But, we're fortunate. The Trustees have made sound decisions over the years. And as a result, our retirement plan is still in decent shape.

However, we've watched other plans struggle and want to take action and avoid difficulties in the future. In fact, the Trustees have been investigating this new plan design since 2007. Why now? Our plan is healthy now and we want it to stay that way. We can't wait for another downturn to take action.

These changes are designed to strengthen the plan for the long term.

Your benefits are secure. There is no change to your benefits as a result of the changes for active members. If you have any questions, please contact the Administration Office at 907-561-7575 (toll-free 800-478-4431), option 2.

Board of Trustees
Southern Alaska Carpenters Retirement Plan

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SOUTHERN ALASKA CARPENTERS RETIREMENT PLAN CHANGES

August 18, 2014

Dear Northern Alaska Carpenters Retirement Plan Member,

You are receiving this letter because you are a participant in the Northern Alaska Carpenters Retirement Plan but you also have a vested benefit in the Southern Alaska Carpenters Retirement Plan.

Changes to Southern Plan

You may hear of some upcoming changes to the Southern Alaska Carpenters Retirement Plan for active members. As a courtesy, we wanted to let you know what's happening and assure you that **your Northern benefits are not affected** by these changes. The changes apply to **Southern** Alaska Carpenters only.

We also wanted to let you know about one change that could affect your vested Southern Alaska Carpenters Retirement Plan benefit.

New Benefit Formula Applies Only for Southern Alaska Carpenters Retirement Plan Hours Worked Beginning January 1, 2015

Beginning with hours worked January 1, 2015, Southern Alaska Carpenters Retirement Plan benefits will be earned under a new pension formula. **The benefit you earned on hours worked through December 31, 2014 is not changing.** If you return to work under the Southern Alaska Carpenters Retirement Plan, benefits earned on hours worked on or after January 1, 2015 will be under a new variable annuity pension benefit formula.

The new formula:

- Continues to provide lifelong income
- Offers potential for growth (during members' careers and during retirement) to help protect against the loss of buying power that comes with inflation
- Continues to have professionally managed investments
- Continues to protect participants from most downside investment risk.

Normal Retirement Age Change

Beginning January 1, 2015, the Southern Alaska Carpenters Retirement Plan's normal retirement age will be age 65 as long as you have 3 years of service – or, if later, your 5th anniversary. Normal retirement age is generally the age at which you can start receiving your full, unreduced benefit amount.

However, even though the normal retirement age has changed, you will still be able to retire at age 60 with unreduced benefits for your traditional benefit earned through December 31, 2014, exactly like you can now.

If you earn a variable annuity benefit for hours worked on or after January 1, 2015, those payments may be reduced if you start receiving them earlier than 65.

Questions?

Your benefits are secure. There is no change to your benefits as a result of the changes for active Southern Alaska Carpenters Retirement Plan members. If you come back to work under the Southern Alaska Carpenters Retirement Plan, the new formula will apply to your new benefits, but not those earned prior to January 1, 2015.

Again, these changes do **not** affect your Northern Alaska Carpenters Retirement Plan benefits.

If you have any questions, please contact the Administration Office at 907-561-7575 (toll-free 800-478-4431), option 2.

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SOUTHERN ALASKA CARPENTERS RETIREMENT PLAN CHANGES

August 18, 2014

Dear Northern Alaska Carpenters Retirement Plan Member,

You may hear of some upcoming changes to the Southern Alaska Carpenters Retirement Plan for active members. As a courtesy, we wanted to let you know what's happening and assure you that **your benefits are not affected** by these changes. The changes apply to **Southern** Alaska Carpenters only.

Again, these changes do **not** affect you. If you have any questions, please contact the Administration Office at 907-561-7575 (toll-free 800-478-4431), option 2.

Board of Trustees
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SOUTHERN ALASKA CARPENTERS RETIREMENT PLAN CHANGES

August 18, 2014

To: **Vested Members**

Re: **Southern Alaska Carpenters Retirement Plan**
Plan Changes

You are receiving this letter because you have a vested benefit in the Southern Alaska Carpenters Retirement Plan.

You may hear of some upcoming changes to the Southern Alaska Carpenters Retirement Plan. As a courtesy, we wanted to let you know what's happening for active members and tell you about one change that could affect you.

New Benefit Formula Applies Only for Hours Worked Beginning January 1, 2015

Beginning with hours worked January 1, 2015, Retirement Plan benefits will be earned under a new pension formula. **The benefit you have earned on hours worked through December 31, 2014 is not changing.** If you return to work, benefits earned on hours worked on or after January 1, 2015 will be under a new variable annuity pension benefit formula.

The new formula:

- Continues to provide lifelong income
- Offers potential for growth (during members' careers and during retirement) to help protect against the loss of buying power that comes with inflation
- Continues to have professionally managed investments
- Continues to protect participants from most downside investment risk.

Normal Retirement Age Change

Beginning January 1, 2015, the plan's normal retirement age will be age 65 as long as you have 3 years of service – or, if later, your 5th anniversary. Normal retirement age is generally the age at which you can start receiving your full, unreduced benefit amount.

However, even though the normal retirement age has changed, you will still be able to retire at age 60 with unreduced benefits for your traditional benefit earned through December 31, 2014, exactly like you can now.

If you earn a variable annuity benefit for hours worked on or after January 1, 2015, those payments may be reduced if you start receiving them earlier than 65.

Why Are These Changes Needed?

The 2008 market downturn hurt all pension plans. But, we're fortunate. The Trustees have made sound decisions over the years. And as a result, our retirement plan is still in decent shape.

However, we've watched other plans struggle and want to take action and avoid difficulties in the future. In fact, the Trustees have been investigating this new plan design since 2007. Why now? Our plan is healthy now and we want it to stay that way. We can't wait for another downturn to take action.

These changes are designed to strengthen the plan for the long term.

Your benefits are secure. There is no change to your benefits as a result of the changes for active members. If you come back to work, the new formula will apply to your new benefits, but not those earned prior to January 1, 2015.

If you have any questions, please contact the Administration Office at 907-561-7575 (toll-free 800-478-4431), option 2.

Board of Trustees
Southern Alaska Carpenters Retirement Plan

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Alaska Carpenters Trust Funds

Health and Welfare – Defined Benefit – Defined Contribution

2815 2nd Avenue, Suite 300 • P.O. Box 34203 • Seattle, Washington 98124
Phone (800) 531-5357 • Fax (206) 505-9727 • Website www.alaskacarpenterstrusts.com

Administered by
Labor Trust Services, Inc.

September 16, 2013

To: **Eligible Covered Participants and Beneficiaries of the Southern Alaska Carpenters Retirement Plan**

Re: **Notice of Plan Amendment Regarding Funding Only (Deficit Reduction) Contributions Effective October 1, 2013**

As you are probably aware, the financial markets had very negative returns in 2008. These negative returns have adversely impacted nearly all pension plans, including the Southern Alaska Carpenters Pension Plan ("Plan").

While recent market returns have improved the funding of most pension plans, including your Plan, additional action is still needed return the Plan to a fully funded position.

2013 Pension Contribution Increase will be used to Improve Plan Funding

The Board of Trustees has reviewed various ways to address the funding deficit created by the negative investment returns from 2008. One way to help improve the funded status of the Plan is to make additional contributions that are used solely for funding improvement.

A proposal to make additional contributions to the Plan – contributions that will be used solely to improve its funded status of the Plan - was included in the recent wage allocation by the Union membership. The Trustees took action at their most recent meeting to accept these additional funding improvement contributions.

Federal Law Requires Notice of these Changes

Federal law requires that you received formal advance notice when a portion of the contribution will be used to improve a pension plan's funded status. This is because these contributions are considered to be outside of the benefit accrual formula.

To comply with these applicable legal requirements, the Trustees have developed this notice to describe the portion of future contributions that will be used for deficit reduction. These changes are effective October 1, 2013

Note: These changes do not affect the benefits you earn prior to October 1, 2013. Additionally, if you are a retiree, these changes do not affect the benefits currently paid to you.

Identifying Deficit Reduction Contributions

Prior to September 1, 2013, the contribution rate for general commercial construction to the Pension Plan was $7.18 per hour. Going forward, the first $7.18 contribution per hour to the Plan will continue to be recognized for benefit accrual purposes. Additional amounts specified under the collective bargaining agreement as funding only / deficit reduction contributions will be outside the benefit accrual formula.

Effective September 1, 2013, an additional $0.83 per hour will be contributed to the Plan. Effective October 1, 2013, this additional $0.83 per hour will be applied to improve the funded status of the Plan, because it has been designated as a funding only / deficit reduction contribution by the Trustees and under the collective bargaining agreement.

The Trustees recognize that the many projects have fixed wage rates, which reset to the general commercial construction rate after a period of time. By leaving the first $7.18 per hour unaffected, the addition of funding only contributions will coincide with wage increases on these projects. The $0.83 designated as a funding only contribution is linked to when the increased contribution rate applies to a particular project.

Example

> Joe works 1,200 hours between January 1, 2013 and September 30, 2013 on projects where the employer contributes $7.18/hour to the Plan. The Plan's accrual rate is 1.0%. For these 1,200 hours he worked prior to October 1, 2013, he accrues 1.0% x 1,200 x $7.18 = $86.16 per month.
>
> Between October 1, 2013 and December 31, 2013 he works 200 hours on projects where the employer contributes $8.01/hour to the Plan. $7.18 per hour is included in the benefit accrual formula, and $0.83 per hour is designated as a funding improvement contribution. For the 200 hours worked on or after October 1, 2013, he accrues a benefit of 1.0% x 200 x $7.18 = $14.36 per month.
>
> The sum of these two amounts equals his total benefit accrual for the year of $100.52 per month payable starting at age 60. The total benefit earned is equal to accruing benefits on $7.18 per hour for each hour worked during the entire year. The additional $0.83 per hour that was contributed after October 1, 2013 was used to improve the funded status of the Plan, and does not impact his pension benefit.

Reciprocity

For contributions that are transferred into the Plan under reciprocity agreements, similar adjustments are made to improve the funded status of the Plan. Reciprocity contributions are pro-rated to equivalent hours under the general commercial rate.

This means that 89.6% of the reciprocity contribution will be used for benefit accrual purposes. The remaining 10.4% of the contribution will be applied toward improving the Plan's funded status. This is the same as having $0.83 per hour contributed towards funding improvement and the remaining $7.18 per hour used for benefit accrual purposes.

If you have any questions, please contact the Administration Office:

Office Location:

> Labor Trust Services, Inc.
> 375 W. 36th Ave., Suite 200
> Anchorage, AK 99503

Mailing Address:

> Labor Trust Services, Inc.
> P. O. Box 93870
> Anchorage, AK 99509

LTS: (907) 561-7575
LTS - Toll-Free: (800) 478-4431
Seattle - Toll-Free: (800) 531-5357

Rights and Remedies

Statement of ERISA Rights

Participants and beneficiaries in the Southern Alaska Carpenters Pension Plan are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan Participants shall be entitled to:

- Receive Information about Your Plan and Benefits
- Examine, without charge, at the Plan Administrator's Office and at other locations (worksites or union offices), all Plan documents, including insurance contracts, collective bargaining agreements and a copy of the latest annual report (Form 5500 series) filed by the Plan with the U.S. Department of Labor and available at the public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements and a copy of the latest annual report (Form 5500 series) and an updated Summary Plan Description. The Administrator may impose a reasonable charge for the copies.
- Receive an annual pension funding notice by September 28 of each year.

Prudent Actions by Plan Fiduciaries

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

Enforce Your Rights

If your claim for a pension benefit is denied, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in state or federal court subject to the exhaustion of the Plan's Benefit Claim and Appeal Procedures.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have questions about your Plan, you should contact the Administration Office at:

Office Location:

Labor Trust Services, Inc.
375 W. 36th Ave., Suite 200
Anchorage, AK 99503

Mailing Address:

Labor Trust Services, Inc.
P. O. Box 93870
Anchorage, AK 99509

LTS: (907) 561-7575
LTS - Toll-Free: (800) 478-4431
Seattle - Toll-Free: (800) 531-5357

Labor Trust Services / Welfare and Pension Services, Inc. serves as the administrative agent for the Board of Trustees. The Board of Trustee is the Plan Administrator. If you have any questions about this notice, this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest Employee Benefits Security Administration (EBSA), U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the EBSA at 1-866-444-3272. You can also obtain certain information on the EBSA website at www.askebsa.dol.gov.

Board of Trustees
Southern Alaska Carpenters Retirement Plan

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If you have any questions about your participation or eligibility for benefits, or about any matter of trust fund or pension plan administration, you should contact the Administration Office:

Labor Trust Services
3380 C Street, Suite 107
Anchorage, Alaska 99503-3920

Mailing Address:
P.O. Box 93870
Anchorage, Alaska 99509-3870

(907) 561-7575
or toll-free in Alaska (800) 478-4431

Website: www.alaskacarpenterstrusts.com

Only the Administration Office is authorized by the Board of Trustees to answer your questions. No participating employer, employer association, or labor organization or its employees has the authority to answer your questions.

IMPORTANT

This booklet is only a summary of the important provisions of the plan and is not intended to serve as a legal document. If there is any discrepancy between this summary and the plan document, the plan document will govern.

To All Participants:

We are pleased to provide this revised booklet describing your pension plan benefits, including all plan changes made through January 1, 2009. If you terminated employment or retired before that date, please consult the plan booklet that was in effect when you terminated employment or retired.

This booklet summarizes the main provisions of the plan and includes information required by law. We have also included a summary chart (after the Table of Contents). If there is any discrepancy between this booklet and the plan document, the plan document will govern. To obtain a copy, contact the Administration Office. A reasonable charge will be imposed to cover the cost of photocopying.

Please read this booklet carefully. Keep it with your other important papers so you can refer to it later. If you lose your copy, you may obtain another from the Administration Office or your Local.

Please contact the Administration Office if you have any questions. The staff will be happy to assist you. Note that only the Administration Office is authorized by us to answer your questions.

Sincerely,

Board of Trustees

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Your Pension Plan At-a-Glance

ELIGIBILITY	You must work for an employer subject to a collective bargaining agreement with the Alaska Regional Council of Carpenters, affiliated Locals 1281 or 2247, or subject to a special agreement that requires that employer to contribute to the plan on your behalf.

TYPE OF BENEFIT	AGE REQUIRE-MENT	SERVICE REQUIREMENT	BASIC BENEFIT	OPTIONS & REDUCTIONS	CONDITIONS WHICH MAY RESULT IN LOSS OF SOME OR ALL BENEFITS
Normal Retirement	Age 60	• 5 years of service, or • 5th anniversary of participation (see page 16)	Accrued benefit (see page 8) earned to your normal retirement date	• Three Year Certain and Life Thereafter Option — unreduced • 100% Spouse Option — reduced • 75% Spouse Option — reduced • 50% Spouse Option — reduced	• Termination before vesting (see page 14)
Early Retirement	Age 53–59	• Must be vested (see page 14), and • Have 3 years of credited future service	Accrued benefit earned to your early retirement date, reduced as shown in the table on page 19	Same as normal retirement	• Return to work after retirement (see page 33) • Termination before vesting (see page 14)
Late Retirement	Any age after 60	Continue to work after meeting normal retirement service requirements above	Accrued benefit earned as of the date benefits begin	Same as normal retirement	Same as normal retirement

TYPE OF BENEFIT	AGE REQUIRE-MENT	SERVICE REQUIREMENT	BASIC BENEFIT	OPTIONS & REDUCTIONS	CONDITIONS WHICH MAY RESULT IN LOSS OF SOME OR ALL BENEFITS
Disability Retirement	Before age 60	• Must be an active participant, and • 10 years of credited future service or 13 years of credited service, including 3 years of credited future service • Must be Social Security disabled	Accrued benefit earned to your disability retirement reduced by the early retirement factor as described on page 19	Same as normal retirement	You are no longer Social Security disabled
Death Benefit (A)	Any age before retirement	• Must be vested*	50% Spouse Option — reduced if payment begins before normal retirement age		• Death before vesting • No surviving spouse
Death Benefit (B)	Any age before retirement	• Must be vested	36 monthly payments equal to your accrued benefit at the time of your death		• Death before vesting • No surviving dependent or beneficiary (you may designate any beneficiary in case you die with no dependents)
Vested Rights	Any age	• 5 years of service if you qualify (see page 14), or • 10 years of service, or • Meet age and service requirements for normal retirement	A non-forfeitable right to benefits earned to your termination date, payable under the applicable retirement provisions		Death or termination before you vest

*Note: Spouses of members who become vested due to service with a related plan are eligible for Death Benefit (B) rather than Death Benefit (A). See Service with Related Plans on page 36.

Participation

You automatically participate in this plan if your employer is required to contribute on your behalf due to a collective bargaining agreement with the Alaska Regional Council of Carpenters, affiliated Locals 1281 or 2247.

You also participate if your employer is required to contribute on your behalf due to a special agreement with the Trustees.

Sole proprietors and partners are not eligible to participate in the plan.

You may inspect a list of contributing employers at the Administration Office or obtain a copy of the list by writing to the Administration Office. You may also find out if a particular employer contributes — and, if it does, receive its address — by writing to the Administration Office. The Trustees may make a reasonable charge for providing copies.

Cost of the Plan

You are not required or permitted to contribute to the plan. The plan is funded solely by employer contributions. The rate of employer contribution is determined by the collective bargaining or special agreement that entitles you to participate.

You may inspect the collective bargaining agreement at the Administration Office or obtain a copy by writing to the Administration Office. The Trustees may make a reasonable charge for providing copies.

Measuring Your Service

Your accrued benefit, your vesting, and your eligibility for retirement and death benefits are based on your service. Each calendar year, your credited service, covered hours, and years of service are measured to determine if you have accrued an additional benefit or earned additional service for vesting and eligibility.

Credited Service

Your credited service is made up of credited past service, special credited service, and credited future service.

Credited Past Service

Generally, credited past service is the number of your completed calendar years of continuous service between January 1, 1945 and December 31, 1964, in a job covered by a collective bargaining agreement between your union and your employer. Completed calendar years of continuous service may be calculated using either of the following methods:

- Method A — Under this method, you must have been a member of your union local on January 1, 1965. If you were, you will be entitled to 1 year of credited past service for each consecutive calendar year from 1945 through 1964 during which you were a member in good standing with your participating union local. Your most recent union initiation or entry date will be used as the earliest date of credited past service, provided you became a member between January 1 and September 15. If you became a member on or after September 16, the following January 1 will be considered the earliest date of your union membership when determining credited past service.
- Method B — Under this method, you must have been employed "in the industry" on January 1, 1965. If you were, you will be entitled to 1 year of credited past service for each consecutive calendar year from 1945 through 1964 during which you worked at least 500 hours in the industry. "In the industry" means you were

employed by a contributing employer operating under a union contract and you were working in a job classification covered by your collective bargaining agreement. If you worked less than 500 hours in any calendar year, your service before the break in employment will not count toward your credited past service.

All years of credited past service must be determined under the same method. You cannot determine some years using one method and some years using the other method.

To be eligible for any credited past service, you must have worked at least 500 covered hours of employment (see page 7) per year in the first 2 calendar years you were eligible to participate in the plan.

Credited Future Service

Credited future service is based on your covered hours of employment in each calendar year starting January 1, 1965. Covered hours of employment are defined below.

You earn a year of credited future service for each calendar year from 1965 through 1973 in which you completed 500 covered hours, and for each calendar year after 1973 in which you complete 435 covered hours. However, if you terminate employment on or after January 1, 2001 with a vested right to a benefit, you will get the future service benefit for employer contributions made in your first year of participation even if you completed less than 435 covered hours that year.

Special Credited Service

You may be eligible to receive special credited service if you were already working for an employer on the date the employer became subject to this plan. Special credited service is the number of your completed years of continuous service with your employer prior to the date your employer was first required to contribute to the plan. You will receive 1 year of special credited service for each year of employment with that employer beginning on your hire date and ending on the day your employer begins contributing to the plan on your behalf. Special credited service may be used to determine eligibility for benefits only.

To be eligible for any special credited service, you must have worked at least 500 covered hours per calendar year in the first 2 years you were eligible to participate in the plan.

Covered Hours of Employment

Covered hours of employment are used in calculating your accrued benefit. Your covered hours each year also determine whether you earn a year of credited future service, and previous covered hours determine whether you were eligible to earn credited past service.

In general, covered hours of employment are hours for which your employer is required to contribute to the plan on your behalf.

Years of Service

Your years of service determine whether you are vested (see Vesting on page 14) and eligible for early, normal, or late retirement or for death benefits. (See the related sections for details.)

You earn a year of service for each calendar year from 1965 through 1973 in which you completed 500 hours of service, and for each calendar year after 1973 in which you completed 435 hours of service. Hours of service include covered hours (described above) and uncovered hours. You earn uncovered hours for employment after 1975 (or after your employer first contributes to the plan, if that date is later) in a job classification that is not covered by a collective bargaining agreement, provided that no quit, discharge, or change of employer occurs between your covered hours and these hours.

Your years of credited past service (prior to 1965) and special credited service are also counted as years of service.

Calculating Your Accrued Benefit

Your monthly accrued benefit is the sum of your past service benefit plus your future service benefit.

Past Service Benefit

Your past service benefit is the benefit you earn for service before January 1, 1965. Your monthly past service benefit is the sum of:

- $15 times your years of credited past service from January 1, 1945 through December 31, 1954, plus
- $20 times your years of credited past service from January 1, 1955 through December 31, 1964.

Future Service Benefit

Your future service benefit is the benefit you earn for service on and after January 1, 1965. Your future service benefit is determined as followed:

- For calendar years 1965 through 1975, your monthly future service benefit is 3.0% of your employer's contributions.
- For calendar years 1976 through 1982, your monthly future service benefit is 2.6% of your employer's contributions.
- Future service benefits as of December 31, 1982 are increased by 0.5% times your years of credited future service as of December 31, 1982.
- For calendar years 1983 through 1986, your monthly future service benefit is 3.0% of your employer's contributions.
- Future service benefits as of December 31, 1986 are increased first by 3 ⅓% and later by an additional 15%.
- Future service benefits as of December 31, 1997 are increased by 10% for participants who retire on or after October 1, 1998.

- For calendar years 1987 through 2001, your monthly future service benefit is 3.2% of your employer's contributions.

- Future service benefits as of December 31, 2001 are increased by 10% for participants who had at least 435 hours of service in either 2000 or 2001.

- From January 1, 2002 through August 31, 2003, your monthly future service benefit is 2.5% of your employer's contributions.

- From September 1, 2003 through December 31, 2008, your monthly future service benefit is 1.5% of your employer's contributions.

- Beginning January 1, 2009, your monthly future service benefit is 1.0% of your employer's contributions.

Your employer's contributions are calculated by multiplying your employer's hourly contribution rate (as specified in the collective bargaining or special agreement which entitles you to participate in the plan) by your covered hours of employment. The greater your covered hours, the greater your employer's contributions will be.

In accordance with the collective bargaining agreement, a portion of the employer contributions are used to improve the fund's financial status rather than pay for benefits.

Example

Bill earns 1,300 covered hours of employment per year from 1969 through 2008, so he has 40 years of credited future service.

Bill's future service benefit is calculated based on the rate in effect each year:

- For 1969 – 1975, assuming employer contributions of $5,588.70
  $5,588.70 x 3.0% $167.66
- For 1976 – 1982, assuming employer contributions of $21,970.00
  $21,970.00 x 2.6% $571.22
- December 31, 1982 increase of 0.5% times credited future service
  $738.88 x 0.5% x 14 years $51.72
- For 1983 – 1986, assuming employer contributions of $7,800.00
  $7,800.00 x 3.0% $234.00
- December 1986 increases of 3⅓% and 15%
  $1,024.60 x 3⅓% $34.15
  $1,058.75 x 15% $158.81
- For 1987 – 1997, assuming employer contributions of $25,675.00
  $25,675.00 x 3.2% $821.60
- December 1997 increase of 10%
  $2,039.16 x 10% $203.92
- For 1998 – 2001, assuming employer contributions of $17,875.00
  $17,875.00 x 3.2% $572.00
- December 2001 increase of 10%
  $2,815.08 x 10% $281.51

Example

- For January 2002 – August 2003, assuming employer contributions of \$8,450.00
  \$8,450.00 x 2.5% \$211.25
- For September 2003 – December 2008, assuming employer contributions of \$30,693.00 eligible for benefit accrual*
  \$30,693.00 x 1.5% \$460.40

*Actual employer contributions for this period would have totaled \$32,536, but in accordance with the collective bargaining agreement a portion of the employer contributions were used to improve the fund's financial status rather than pay for benefits.

Adding up all the pieces, Bill has a monthly accrued benefit of \$3,768.24

Periodic Statements

Each year that you are an active participant, you will receive an annual statement showing your total covered hours of employment, vesting status, and estimated future service benefit earned.

While you are an active plan participant, you will also receive statements providing detailed year-to-date information on your employers' contributions. These statements list the number of covered hours your employer reports (broken out by month and employer name), the month worked, the contribution rate per hour, and the accrued benefit you earned for those employer contributions. Statements also list your updated future service benefit, and may include important messages (for example, reminders to designate a beneficiary). This information is provided to help you monitor what your employers are reporting.

You should review your statements carefully and keep them with your other important papers. If you discover any errors or missing hours, contact the employer in question and try to resolve the difference. If you are unable to resolve the discrepancy with your employer, contact the Administration Office. You may be asked to provide pay stubs or other proof before plan records are changed. See your statements for more details.

To be certain you receive these important statements, it is imperative that you let the Administration Office know whenever your address changes.

Vesting and Termination of Participation

If your plan participation terminates before you are vested (see Vesting on page 14), you will lose all credited service, years of service, and accrued benefit you earned before your termination. However, your service and accrued benefit will be reinstated if you meet the conditions explained in Reemployment After Termination on page 14.

Termination of Active Participation

If you earn fewer than 435 hours of service in a calendar year, you will have a break in service for that year, and your plan participation will terminate. This means you will no longer be an active participant. However, your participation will not terminate if your failure to earn the minimum number of hours of service was caused by an unpaid leave under the Family and Medical Leave Act of 1993 (FMLA), or one of the following:

- 6-month (or longer) leave approved by the Trustees, or
- 6-month (or longer) strike or lockout.

These exceptions may be limited by the Trustees, but any limits will be uniformly applied to all plan participants.

In addition to these exceptions, if you are absent from work due to:

- Your pregnancy
- The birth of your child
- Placement of a child with you for adoption, or
- The care of your newborn or newly adopted child

the hours you otherwise would have worked will be counted toward preventing a break in service, either in the calendar year the absence begins or in the next calendar year. If the hours you would have otherwise worked cannot be determined, you will be credited with 8 hours per day.

If you would like more information about any of these situations, contact the Administration Office.

Vesting

You become 100% vested when you meet one of the following requirements:

- Have 5 years of service (see Years of Service on page 7), including at least 435 hours of service in a calendar year after 1996
- Have 5 years of service under a special agreement, including at least 1 hour of service in 1989 or later
- Reach your normal retirement age (see page 16)
- If you were a participant in 1987 or later but did not earn 435 hours of service during a calendar year on or after 1997, you generally vest according to the following schedule:

Years of Service	Vesting Percentage
Less than 5	0%
5	50%
6	60%
7	70%
8	80%
9	90%
10	100%

Contact the Administration Office if you have any questions about which vesting rules apply to you.

Reemployment After Termination

If you were vested when your participation terminated and you rejoin the plan before retiring, all service and accrued benefit you earn after your return will be added to your previous service and accrued benefit.

However, if you received a lump sum cashout under $5,000 (see page 23), your benefit service and accrued benefit (but not your vesting service) will be disregarded and you will be treated as a new participant unless you repay the lump sum with interest of 5% per year. If you want to repay, you must do so before the 5th anniversary of your reemployment date and before you have 5 consecutive break-in-service years.

If your plan participation terminated before you were vested, your service and accrued benefit will be reinstated if you rejoin the plan and earn a year of service before your consecutive breaks in service equal the greater of 5 or your total years of service before your break.

If your plan participation terminated before you were vested and you are not reemployed before your consecutive breaks in service equal the greater of 5 or your total years of service before your break, your service and accrued benefit will be disregarded and you will be treated as a new participant for all purposes.

Regardless of whether you were vested or not when you left the plan, your reinstated accrued benefit for service before you left the plan will be based on the provisions of the plan in effect on the date you left. Your benefit for service after you resume plan participation will be based on plan provisions in effect on the subsequent date when you leave the plan.

Normal Retirement

To be eligible for normal retirement, you must have terminated participation and reached your normal retirement age.

Your normal retirement age is the later of:

- The date you reach age 60, and
- The first of the following to occur:
  - You complete 5 years of service (10 years of service if you did not complete a year of service after 1996 and you were covered by a collective bargaining unit), or
  - You reach the 5th anniversary of your participation date while you are:
    - An active participant (see page 13)
    - An inactive participant earning uncovered hours of employment, or
    - On an approved leave of absence of 1 year or less.

Your normal retirement date is the first day of the month coinciding with, or immediately after, the date you reach your normal retirement age.

Example

Ed and Sam are vested participants; both turn 60 in July and apply for normal retirement. Ed's 60th birthday is July 1, so his normal retirement date is July 1, but Sam doesn't turn 60 until July 12, so his normal retirement date is the first of the following month, August 1.

If you retire on your normal retirement date, your monthly retirement income will be based on the accrued benefit you have earned as of your normal retirement date. This is called your normal retirement income. Your monthly normal retirement income may be reduced depending on the form of retirement payment you elect. (See Forms of Retirement Payment, pages 23 – 25).

Example

Bill's normal retirement date occurs on his 60th birthday. If he takes normal retirement, his normal retirement income will be his accrued benefit, which we calculated as $3,768.24 in the example on page 10.

This monthly normal retirement income may be reduced if Bill is married at the time of retirement and receives a spousal form of benefit payment.

Early Retirement

You may retire between your 53rd and 60th birthday if you are vested (see page 14 for Vesting Requirements) and have at least 3 years of credited future service.

Your early retirement date can be the first day of any month following the date you meet these requirements (but before your 60th birthday).

To be deemed retired, you must stop any employment which could be considered post-retirement service. (at least until normal retirement age). Post-retirement service is work that is in the state of Alaska below the 63rd parallel and meets either of these conditions:

- It is in any trade in the construction industry, or
- It is in a skill or skills, learned during a significant period of training or practice, that applies to the construction industry and is similar to the occupations covered in the plan's collective bargaining agreements with contributing employers or in a supervisory position over such skills.

If you were ever covered under a special agreement for employment in the state of Alaska below the 63rd parallel as an officer or employee of a participating union or other labor organization, or as an employee of the plan's trust fund or a related trust fund, or under any other special agreement, then post-retirement service will also include that type of employment.

If you retire and then work 40 or more hours in a calendar month, you will forfeit your early retirement benefit for that month. See Working After Early Retirement on page 30.

If you elect to begin receiving your benefit on an early retirement date, your monthly retirement income will be based on the accrued benefit you have earned as of your early retirement date, reduced to reflect the fact that benefits will be paid for a longer period than if they began at your normal retirement date. The amount of reduction depends on your age when payment of your benefit begins. Your monthly retirement income will be based on your accrued benefit, multiplied by the factor for your age shown in the following table:

Age Reduction Factors	
Age	**Factor**
53	79%
54	82%
55	85%
56	88%
57	91%
58	94%
59	97%
60	100%

The chart shows the benefit reductions at specific ages. However, your benefit is actually reduced by ¼% for each month before age 60 (or 3% per year before age 60). For example, if you were age 59 and 8 months, your benefit would be reduced by 1% (¼% x 4 months before age 60).

The calculated amount is called your early retirement income. It may be further reduced depending on the form of retirement payment you elect. (See Forms of Retirement Payment, pages 23 – 25)

Example

At age 57, Bill retires 3 years early with an accrued benefit of $3,768.24 Since he's exactly age 57, his accrued benefit is multiplied by 91%. His early retirement income is:

$$\begin{array}{r} \$3{,}768.24 \\ \underline{\text{x} \quad\quad .91} \\ \$3{,}429.10 \end{array}$$

This monthly early retirement income may be reduced further if Bill is married and receives a spousal form of benefit.

Late Retirement

If you continue working after your normal retirement date, you may continue to accrue additional benefits. Your late retirement date can be the first day of any month following your normal retirement date. Payment will begin by April 1 after the end of the calendar year in which you reach age 70½, or, if later, in which your employment ends.

Your monthly retirement income will be based on the greater of:

- The accrued benefit you have earned as of the date payment of your benefit begins, or
- The actuarial equivalent of your normal retirement benefit.

This is called your late retirement income. Your monthly late retirement income may be reduced depending on the form of retirement payment you elect. (See Forms of Retirement Payment, beginning on page 23.)

Example

Bill reached his normal retirement date at age 60, but continued to work for 2 more years. When he elects late retirement, his late retirement benefit will be his accrued benefit earned to age 62, which is $3,913.28.

This monthly late retirement income may be reduced depending on the form of payment he elects.

Disability Retirement

Determination of Disability

Effective March 4, 2003, disability means a total and permanent disability that entitles you to disability benefits from the Social Security Administration. Your disability retirement date will be the disability date determined by the Social Security Administration. The Social Security Administration imposes a 5-month waiting period on disability benefits. Before March 4, 2003, total and permanent disability was determined by the Trustees.

Eligibility

If you become totally and permanently disabled, you may be eligible for disability retirement. To be eligible, you must be an active participant (see page 13) when your total and permanent disability occurs and you must meet one of the following conditions:

- 10 years of credited future service, or
- 13 or more years of credited service, including at least 3 years of credited future service.

Amount of Disability Retirement Income

If you become totally and permanently disabled on or after March 4, 2003, your monthly disability retirement income will be equal to your accrued benefit earned through your disability retirement date, reduced by ¼ of 1% for each month that your disability retirement date precedes your normal retirement date. This reduction reflects that benefits will be paid for a longer period of time. Age reduction factors are shown in the chart on page 19. This is called your disability retirement income. Your monthly disability retirement income may be reduced depending on the form of retirement payment you elect. (See Forms of Retirement Payment, pages 23 – 25.)

When Payments Begin

You may elect to begin receiving your disability retirement income on the first day of any month after you're determined to be totally and permanently disabled.

The Trustees will require ongoing proof of your continued eligibility for Social Security disability benefits. The requirement for ongoing proof will be waived in cases of terminal illness (in which a physician determines life expectancy is less than 24 months).

Your disability retirement payments will end if the Social Security Administration determines you have recovered from your disability.

Example

Bill becomes disabled on March 6 at age 55. After Social Security's 5-month waiting period, the Social Security Administration grants him disability benefits starting September 1. Bill also takes disability retirement on that date. His accrued benefit is $3,768.24 , which is then multiplied by a reduction factor of 0.85 (see page 19). So, his disability retirement income is:

$$\begin{array}{r} \$\ 3{,}768.24 \\ \underline{\times\ \ 0.85} \\ \$3{,}203.00 \end{array}$$

This monthly disability retirement income may be reduced depending on the form of payment Bill elects.

Forms of Retirement Payment

The plan provides different forms of retirement payment to assist you in fulfilling your particular economic and family needs. Although the payment forms differ, they are actuarially equal in value.

If the value of your benefit is $1,000 or less, the Administration Office will pay your retirement benefit in a single lump sum instead of setting up monthly payments. No other form of payment will be available, and no further benefit will be payable from the plan.

If the value of the benefit is over $1,000 but not over $5,000, you may choose to receive payment in a lump sum. If you do not make a choice, the benefit will remain in the plan and be paid in monthly payments at the applicable time.

In general, lump sum payments are eligible rollover distributions. See Rollovers on page 26.

If the value of your benefit is over $5,000, payment will be made in the form of a monthly benefit. The monthly amount of income depends on the form of payment, but the expected value is the same for all forms. If the amount of benefit is small, payments may be made quarterly or semi-annually rather than monthly.

Three Year Certain and Life Thereafter Option

This form of retirement payment gives you a lifetime monthly benefit equal to your retirement benefit. The payments begin on your retirement date and end the month you die. If you die before receiving 36 payments, your designated beneficiary will continue to receive the same amount until a total of 36 monthly payments has been made. If no beneficiary has been named (or if your beneficiary dies before 36 payments have been made, the remaining payments will be made to your surviving dependents. Important: This feature does *not* limit you to 36 payments — your benefits will continue for as long as you live.

If you are not married, you will automatically receive this form of payment. If you are married, you may elect this form of payment with your spouse's consent, witnessed by a plan representative or notary public. If you name a non-spouse beneficiary, your spouse must also consent to the specific person you name.

Surviving dependent means:

- Your spouse, until he or she dies or remarries
- Your dependent children (equally) until they reach age 19 or marry — or if your spouse dies before a total of 36 payments has been made to you and your spouse.

  Dependent children means your own children and your spouse's children who are considered members of your household and are dependent on you for support at the time of your death.

If you die before 36 payments have been made and you have no beneficiary or surviving dependents, payment will stop. Contact the Administration Office for a beneficiary designation form.

50%, 75%, and 100% Spouse Options

The Spouse Options give you a lifetime monthly benefit based on your retirement benefit. If you die before your spouse, your spouse will receive a monthly benefit for life as follows:

- Under the 50% Spouse Option, your surviving spouse's benefit will be half the monthly amount you received while you were alive.
- Under the 75% Spouse Option, your surviving spouse's benefit will be 75% of the monthly amount you received while you were alive.
- Under the 100% Spouse Option, the amount of spouse benefit will be the same as the monthly amount you received.

If your spouse dies before you, there is no reduction nor increase in your monthly payment amount, and payments will end when you die.

If you are married, you will automatically receive the 50% Spouse Option form of payment unless you elect another option. You may elect to receive the 75% or 100% Spouse Option or, if your spouse consents, the Three Year Certain and Life Thereafter Option. The 50%, 75%, or 100% spouse benefit will only be paid if you are survived by the spouse you were married to on the date benefit payments began. If you remarry after benefit payments begin, your new spouse is not eligible to receive the plan's spousal benefit.

Because the Spouse Options guarantee a pension to 2 people, the amount you receive each month is reduced. The reduction depends on your age, your spouse's age, and the percentage of benefit that will continue to your spouse.

If your spouse dies before payments begin, you will receive the Three Year Certain and Life Thereafter Option.

Example

Bill takes normal retirement. His normal retirement income is $3,768.24. If Bill is married and his wife is 5 years younger, the monthly payments to him and his wife under the alternative forms of payment would be:

Form of Payment	Monthly Payment to Bill	Monthly Payment to Bill's Wife After His Death
Three Year Certain and Life Thereafter Option	$3,768.24	None
50% Spouse Option	$3,278.37	$1,639.19
75% Spouse Option	$3,074.88	$2,306.16
100% Spouse Option	$2,890.24	$2,890.24

* If Bill dies before the 36th payment, his wife (or other designated beneficiary) will receive $3,768.24 each month until a combined total of 36 payments has been made to Bill and his wife or beneficiary, and nothing thereafter. If Bill dies after the 36th payment, no further benefits will be payable to his wife or beneficiary.

Rollovers

If your payment from the plan is being made in a form of a lump sum, you may ask the Administration Office to pay all or part of the lump sum directly to an eligible retirement plan, including:

- Individual retirement account
- Individual retirement annuity
- Annuity plan
- 401(a) qualified trust
- 403(b) annuity
- Eligible 457(b) plan, or
- Another employer’s eligible retirement plan.

This is called a direct rollover. Unless a direct rollover is made, the Administration Office must withhold 20% of the lump sum distribution for federal income taxes. The direct rollover and 20% withholding rules do not apply to payments that are required by federal law when you reach age 70½. You will receive more information about direct rollovers if a lump sum becomes payable to you.

Lump sum distributions made to a surviving spouse beneficiary or to a spouse or former spouse under a qualified domestic relations order are also eligible for rollover. Under federal law, non-spouse beneficiaries are not allowed to roll over distributions from this plan.

Applying for Retirement

You must complete an application form in order to receive a retirement benefit. Application forms are available from the Administration Office or from the website at alaskacarpenterstrust.com. You must follow all instructions on the application and submit it to the Administration Office within 90 days of your retirement date.

If you are eligible to retire, you will be sent a written explanation of the forms of retirement payment available to you, and the monthly amount payable under each form.

You may take at least 30 days to decide which form of retirement payment you wish. However, you and your spouse can waive this waiting period, but your benefit still cannot begin until at least 8 days after the written explanation of the forms of payment is sent to you. It is very important to keep in mind that normal processing time applies.

Once you begin receiving payments, you may not change your type of retirement. For example, you cannot take early retirement and later switch to disability retirement. Similarly, you may not change your form of retirement payment.

If you are married, you must select a Spouse Option unless your spouse consents in writing to a different form of payment. Your spouse's written consent must be on the official plan form, witnessed by a plan representative or a notary public, and submitted during the 90 days before the first payment is to be made.

If you elect a Spouse Option, the Trustees will require proof of your marriage, proof of your spouse's age, and documentation of any name changes for your spouse.

If you are married and do not select a form of payment, your retirement income will automatically be paid as a 50% Spouse Option. If you are single, your retirement income will automatically be paid as a Three Year Certain and Life Thereafter Option.

Divorced members must provide complete copies of all divorce or dissolution papers. If any ex-spouse has been awarded part of the member's retirement benefit in a divorce or dissolution, copies of the court-filed qualified domestic relation order (QDRO) must be provided to the Trust before any retirement benefits can be processed. (See Domestic Relations Orders on page 38.)

Starting Date for Payments

In general, if you are eligible for a normal, early, or disability retirement benefit, or if your spouse or beneficiary is eligible for a pre-retirement death benefit, your monthly retirement income or other payments under this plan will begin on the later of:

- The first day of the month following the date the Trustees receive your or your beneficiary's application, or
- The first day of any month you or your beneficiary request in your application.

Unless you continue to work, your monthly retirement payments must begin by April 1 of the year following the calendar year you reach age 70½.

If your surviving spouse is eligible for a pre-retirement death benefit under Death Benefit (A) (see page 34), payments must begin by the later of:

- December 31 of the calendar year in which you would have reached age 70½, or
- December 31 of the calendar year following the calendar year in which you died.

Benefits payable to a non-spouse beneficiary under Death Benefit (B) (see page 34) must begin no later than December 31 of the calendar year following the calendar year in which you died.

These pre-retirement death benefits will be forfeited if not claimed within 3 years of your death.

If you terminated employment from the construction trades in Alaska on or before your normal retirement date and you apply for normal retirement after your normal retirement date, you will be entitled to monthly payments retroactive to your normal retirement date. In some cases, you may be entitled to choose between a retroactive lump sum payment or actuarially increased payments calculated as of the date payments begin.

Working After Early Retirement

If you retire early and later go back to work, your pension benefit could be suspended, as described in this section. These provisions will only apply if you elected early retirement, and they will cease to apply once you reach your normal retirement age.

Suspension will occur if your work is in the state of Alaska below the 63rd parallel and meets either of these conditions:

- It is in any trade in the construction industry, or

- It is in a skill or skills, learned during a significant period of training or practice, that applies to the construction industry and is similar to the occupations covered in the plan's collective bargaining agreements with contributing employers or in a supervisory position over such skills.

Work that meets these conditions is called "post-retirement service." If you were ever covered under a special agreement for employment in the state of Alaska below the 63rd parallel as an officer or employee of a participating union or other labor organization, or as an employee of the plan's trust fund or a related trust fund, or under any other special agreement, then post-retirement service will also include that type of employment. Service as an inspector, estimator, or instructor after retirement will not constitute post-retirement service, excepting employment as an instructor with the Southern Alaska Carpenters Training Center and any other training center in the state of Alaska affiliated with the United Brotherhood of Carpenters.

If you begin post-retirement service, you must notify the Administration Office immediately. You will not be entitled to a retirement benefit for any month in which you work 40 or more hours of post-retirement service.

If you return to work (union or non-union, within the construction industry in Alaska) without notifying the Administration Office, they will presume you are working more than the allowable hours of post-retirement service as soon as they learn of your reemployment. They will also presume you have been working at your job site for as long as your employer has been working at that site. Both these presumptions will be subject to change if you can prove they are incorrect.

When you again retire, you should notify the Administration Office so they can start paying your retirement income again. If you received retirement benefits for any month you worked 40 or more hours of post-retirement service, the Administration Office will recover those payments from your future benefit checks as follows: Unless other arrangements are made with the Administration Office, your monthly checks will be withheld for up to 3 months after you stop working. If additional overpayments need to be recovered, you will receive only 75% of your payment, starting with the fourth month after you stop working, until the full amount has been recovered.

You may earn additional future service benefits during your period of reemployment according to the future service benefit rules then in effect. Additional future service benefits, however, will not be payable until you reach normal retirement age.

When you again retire, your original benefit will continue in the same form as before. When you attain normal retirement age, you will be notified of your eligibility to make an election regarding the future service benefits you earned during your period of reemployment (including a lump sum election, if the actuarial equivalent of your reemployment benefit is $5,000 or less). After you make your election during the election period, your additional benefit will be included in your pension checks in the months after you attain normal retirement.

If you die while reemployed and while earning additional future service benefits, your surviving spouse (if you are married) will be entitled to a survivor annuity on these additional future service benefits. If you are single and die while reemployed and while earning future service benefits, your beneficiary will be entitled to a death benefit as described in Death Benefits beginning on page 34.

As a condition to receiving future retirement benefits, the Administration Office may request that you either certify you are unemployed or provide factual information sufficient to establish that any employment is not of the type which would require suspension of your retirement income.

If you are considering employment and wonder if it would cause the suspension of your retirement income, you should consult the Administration Office. In most cases, the Administration Office will ask you to submit a detailed job description, which will be reviewed to determine whether your employment would cause your retirement income to be suspended.

Reemployment After Normal Retirement

If you are rehired before your Normal Retirement Date but continue to work past your Normal Retirement Date, you may elect to begin receiving your benefit at any time after your Normal Retirement Date. If you earned additional benefits prior to your Normal Retirement Date, the benefits would be distributed effective with your Normal Retirement Date.

If you earn additional benefits after your Normal Retirement Date, these additional benefits would be effective on the January 1st following the calendar year in which they are earned. Due to the timing of the receipt of the contribution reports, the calculation of such new benefits will usually occur after March 1st and be paid retro-active to January 1st.

Death Benefits

Before Retirement

Death Benefit (A)

If you die before you retire, your surviving spouse receives a death benefit, provided you are vested. Under Death Benefit (A), your surviving spouse receives a monthly benefit for life. If you die on or after age 53, the monthly amount will be the amount your spouse would receive if you had retired with a 50% Spouse Option the day before your death.

If you die before reaching age 53, your spouse's monthly payments will be the same amount your spouse would receive if you had stopped working on your date of death, survived to age 53, immediately elected the 50% Spouse Option, and died the next day.

Your spouse can elect to begin receiving payments on the first day of the month following the month you would have reached 53 or, if later, the month of your death. Payment must begin no later than the dates described in Starting Date for Payments on page 29.

Death Benefit (B)

Death Benefit (B) may apply if you have not retired and you are unmarried when you die, provided you are vested.

The death benefit will be 36 monthly payments of the accrued benefit earned to the date of your death. This benefit is payable to your surviving dependent or, if you have no surviving dependent, to your designated beneficiary. Surviving dependents are defined on page 24. Contact the Administration Office for a form to designate a beneficiary.

Mandatory Small Benefit Cashout

If the actuarial value of the amount payable to your surviving spouse under Death Benefit (A) or (B) is:

- $1,000 or less, the Administration Office will automatically pay the benefit in a lump sum instead of setting up monthly payments

- More than $1,000 but not more than $5,000, your surviving spouse may elect to receive payment in a single lump sum.

A lump sum payment to a spouse is an eligible rollover distribution. See Rollovers on page 26. If no election is made, the benefit will remain in the plan and be paid to your spouse in monthly payments at the applicable time.

If the actuarial value of the amount payable to a non-spouse dependent or beneficiary under Death Benefit (B) is $5,000 or less, the Administration Office will automatically pay the benefit in a lump sum instead of setting up monthly payments. Under federal law, non-spouses are not allowed to roll over distributions from this plan.

After Retirement

If you die after you retire, the form of payment you elected when you retired will govern the death benefit which is payable. See Forms of Retirement Payment, pages 23 – 25.

Service with Related Plans

If you have service with a related plan, your related service may be used to determine your eligibility for a benefit under this plan, and your service under this plan may help determine your benefit eligibility under the related plan. In general, you should refer to the related plan's administrator for information about its eligibility requirements. However, you should note that related plans do not count special credited service towards years of service for vesting in a related plan benefit.

A related plan is another plan in the industry that the Board of Trustees has agreed to recognize as a related plan under a reciprocity agreement. Contact the Administration Office to find out if a plan is a related plan.

This plan will count your related plan service as hours of service toward preventing a break in service. This plan also counts related plan service toward years of service for vesting. However, if you need to use related plan service to vest in this plan, you must earn a total of 10 years of service under the combined plans (rather than 5). Related plan service also counts in determining eligibility for normal, early, late, or disability retirement benefits, provided you have at least 1 year of credited future service under this plan. Related plan service also counts in determining your eligibility for Death Benefit (B). Under a special reciprocity provision, if you are married and vested using related plan service, your surviving spouse will receive Death Benefit (B) similar to unmarried participants (but not Death Benefit (A)).

You will receive 1 year of "related credit" for each year in which you complete 435 hours of service under a related plan. The maximum amount of service you may earn in 1 calendar year is 1 year of credit from either the related plan or this plan (but not both). Your accrued benefit under this plan will be based only on employer contributions to this plan.

Note: If you earned a service credit between 1974 and 1977, you may vest under a special plan rule if you worked 435 covered hours under this plan in a calendar year between 1977 and 2002. Contact the Administration Office to find out if this applies to you and for the effect on retirement and death benefit eligibility.

Domestic Relations Orders

A domestic relations order may direct that all or part of your benefit be paid to another person, called an "alternate payee." The alternate payee can be your spouse, former spouse, child, or other dependent. A domestic relations order can be a judgment, a decree, or an order (including approval of a property settlement agreement) and may be issued in a divorce or a child-custody or support proceeding. The plan will follow the order only if the Trustees find it to be a qualified domestic relations order according to the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code. Note that a domestic relations order which would require payment of benefits which have been previously paid will not be qualified.

A domestic relations order must be sent to the Administration Office. Upon receipt of an order (or proposed order) affecting your interest in the plan, the Administration Office will notify you and the alternate payee. Within a reasonable time, the plan will determine whether the order is qualified and notify you and the alternate payee. If the order is not qualified, the notice will explain why the order is not qualified.

While it is being determined whether a domestic relations order (or proposed order) is qualified, the Administration Office will separately account for the amounts which would be payable under the order or proposed order to the alternate payee. These amounts are called "segregated amounts." If the order is determined to be qualified within 18 months after the first payment would be required under the order, the segregated amounts will be paid according to the order.

If the order is not determined to be qualified within 18 months after the first payment would be required under the order, the segregated amounts will be paid to whoever would be entitled to them if there was no order. If an order is later determined to be qualified, it will apply prospectively only.

You may contact the Administration Office for information on preparing a domestic relations order, including a free copy of the plan's qualified domestic relations order procedures. You may wish to seek legal counsel to complete this document.

Uniformed Service Under USERRA

If you leave covered employment to perform certain United States military service (including active duty for training), you are entitled to reemployment rights under the Uniformed Services Employment and Reemployment Rights Act (USERRA). Upon your return to employment, your vested right to a benefit and the amount of the benefit you are entitled to receive will be determined as if you had continued in covered employment during the period of military service.

To ensure proper crediting of service under USERRA, you should notify the Administration Office when you take military leave. You should also tell the Administration Office how long you expect to be gone and notify the Administration Office when you apply for reemployment after your leave.

Upon release from military duty, you must apply for reemployment by these deadlines:

- Less than 31 days military service — apply immediately, taking into account safe transportation plus an 8-hour rest period
- 31-180 days military service — apply within 14 days
- More than 180 days military service — apply within 90 days.

If you are hospitalized or convalescing, these reemployment deadlines are extended while you recover (but not longer than 2 years).

If you do not apply to return to covered employment within the required time period following your uniformed service, your time on leave will not be credited.

The rules above also apply to uniformed service in the commissioned corps of the Public Health Service. Certain limitations apply. For information on military service provisions before December 12, 1994, and for more details on service under USERRA, please contact the Administration Office.

Special Disclosure Information

Name of Plan

Southern Alaska Carpenters Retirement Plan

Board of Trustees–Plan Administrator

This plan is maintained and administered by a joint labor-management board of trustees:

Board of Trustees
Southern Alaska Carpenters Retirement Plan
3380 C Street, Suite 107
P.O. Box 93870
Anchorage, Alaska 99509-3870

Telephone: (907) 561-7575
(800) 478-4431

Requesting Plan Sponsor Information

Upon written request to the Administration Office, a participant or beneficiary may request information as to whether a particular employer or employee organization is a plan sponsor, and if so, the sponsor's address.

Members of the Board of Trustees

The names, titles, and addresses of the Trustees are:

Legal Process

The agent for service of legal process is the trust attorney:

Randy Simpson
Jermain, Dunnagan & Owens, P.C.
3000 A Street, Suite 300
Anchorage, Alaska 99503

Legal process may also be served on any Trustee or on the Board of Trustees at the Administration Office.

Identification Numbers

The employer identification number (EIN) assigned to the plan by the Internal Revenue Service is 92-0120866. The plan number is 001.

Type of Plan

This plan is a defined benefit pension plan.

Type of Administration

This plan is administered by the Board of Trustees in accordance with the plan document.

Collective Bargaining Agreements

This plan is maintained under several collective bargaining agreements between contributing employers and the Alaska Regional Council of Carpenters, affiliated Locals 1281 or 2247. Participants and beneficiaries can examine these collective bargaining agreements at the Administration Office or obtain a copy of any collective bargaining agreement by writing to the Administration Office. The plan may impose a reasonable charge for providing photocopies.

Termination Insurance

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

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

The maximum benefit that the PBGC guarantees is set by law. Under the multi-employer program, the PBGC guarantee equals a participant's years of service multiplied by:

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

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

The PBGC guarantee generally covers:

- Normal and early retirement benefits
- Disability benefits if you become disabled before the plan becomes insolvent, and
- Certain benefits for your survivors.

The PBGC guarantee generally does not cover:

- Benefits greater than the maximum guaranteed amount set by law
- Benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 years at the earlier of:
  - The date the plan terminates, or
  - The time the plan becomes insolvent
- Benefits that are not vested because you have not worked long enough
- Benefits for which you have not met all of the requirements at the time the plan becomes insolvent, and
- Non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

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

Funding Medium

The contributions made to this plan by your employer are held in trust by the Board of Trustees. The custodian of the funds is Victory Capital Management. The Board of Trustees has retained investment managers.

Plan Year

The plan year starts January 1 and ends December 31.

Loss or Denial of Benefits

This section lists circumstances that could cause your application (or your beneficiary's application) for benefits to be denied or partially denied.

- You do not meet general participation requirements (see Participation on page 3)
- You are not vested when you terminate employment (see Vesting on page 14)
- You have a break in service or return to work after a break, but do not meet the requirements for reinstatement of service and accrued benefits (see Reemployment After Termination on page 14)
- You return to work after retirement (see Working After Retirement on page 30)
- The plan terminates and its assets are inadequate to fund benefits in excess of PBGC guarantees
- The limitation and taxes on benefits imposed by the Internal Revenue Code apply to your benefits
- Your benefits are subject to a qualified domestic relations order (see Assignment of Benefits on page 48)
- You die before retiring and have no surviving beneficiary (see Death Benefits on page 34)
- Your application for benefits is not timely (see Starting Date for Payments on page 29).

Your Rights Under ERISA

As a participant in the Southern Alaska Carpenters Retirement Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

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

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

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

Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 60) and if so, what your benefits would be at normal retirement age if you stop working under the plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

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

Enforce Your Rights

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

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court.

If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance With Your Questions

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration (EBSA), U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of EBSA at (866) 444-3272 or visiting the website at *www.dol.gov/ebsa*.

Claims and Appeals Procedures

When you or your beneficiary make a claim for a pension benefit, the Plan Administrator will make a decision within 90 days from the date the claim is filed. If more time is need to make the initial decision, an extension of 90 days (for a total of 180 days) from the date of the initial claim may be allowed.

If your claim is for a disability pension benefit, the Plan Administrator will make a decision within 45 days from the date your claim is filed. If more time is need to make the initial decision, up to 2 extensions of 30 days each (for a total of 105 days) from the date of the initial claim may be allowed.

If you or your beneficiary's request for benefits is denied, you may file a written appeal the denial to the Board of Trustees within 180 days after receiving the denial. The Board will hear the appeal at the next regularly scheduled Board meeting, unless the request for appeal is not received by the Board within 30 days before the meeting, in which case the appeal will be heard at the next regularly scheduled Board meeting. The Board will issue its decision within 5 days of the hearing.

All claims and appeals must be in writing and the hearing before the Board will be conducted according to procedures adopted by the Board.

All claims for benefits under this plan will be administered according to the procedures established by the Board in accordance with federal law. Any written notice required to be provided to the claimant may be provided electronically.

The decision of the Board of Trustees on review will be final and binding. If you or your beneficiary fails to file a request for review according to these procedures as outlined in the official plan document, you or your beneficiary will have no right to review and no right to bring action in any court, and the denial of the claim will become final and binding on all persons for all reasons.

Availability of Information

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

Assignment of Benefits

Federal law protects your pension benefits from assignment or transfer to others. This protection does not apply to qualified domestic relations orders. If the Administration Office receives a court order of this type, you will be advised in writing.

Amendment or Termination of Plan

This plan is intended to be permanent. However, subject to the terms of the collective bargaining agreements, the Trustees have authority to modify, amend, or terminate the plan, in part or in full, at any time and for any reason. Except to the extent provided by law, no amendment can decrease the accrued benefits earned prior to the date of amendment. The plan will also terminate upon the expiration of all collective bargaining agreements and special agreements requiring contributions to the plan's trust fund. In certain circumstances, the Pension Benefit Guaranty Corporation (PBGC) may also terminate the plan.

If the plan terminates, or if the plan is partially terminated and you are affected by the partial termination, your accrued benefit becomes fully vested to the extent there are sufficient funds in the trust fund to pay benefits. However, no new benefits will be earned. The Trustees will notify the PBGC of a proposed termination and will wait for any required approval before the plan is terminated.

The Trustees expect the assets in the trust fund to be sufficient to fund retirement benefits. If there are excess assets, they will be allocated to participants and will not be returned to employers. If there are insufficient assets, they will first be used to pay benefits guaranteed by the PBGC (see Termination Insurance on page 42). Any remaining assets will be used to pay unpaid benefits in the following order: retired participants and those eligible to retire, surviving spouses and beneficiaries and terminated participants.

Plan Documents

This booklet is only a summary of the important provisions of the plan and is not intended to serve as a legal document. If there is any discrepancy between this summary and the plan document, the plan document will govern.