



NATIONAL AUTOMATIC SPRINKLER INDUSTRY PENSION FUND

Summary Plan Description

Letter to Participants

National Automatic Sprinkler Industry Pension Fund

Angela Curseen, Executive Director

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Landover, Maryland 20785

Dear Participant,

The Board of Trustees of the National Automatic Sprinkler Industry Pension Fund is pleased to issue this new Summary Plan Description (SPD). It describes the most important features of your Pension Plan.

In general, this booklet applies to Participants in active employment covered by the Plan on or after January 1, 2026. If you separated from service before this date, the rules of Plan in effect at the time you left covered employment will apply to you, unless an exception applies.

As Trustees of your Plan, it is our responsibility to oversee the Plan's operations and to keep its provisions up to date with current laws and with the needs of Plan Participants. Since the printing of the last booklet there have been several changes to the Plan.

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

Every effort has been made to write this SPD in a plain, straightforward manner. However, it is important to note that this SPD is not a substitute for the official Pension Plan document. In case of doubt or conflict between this SPD and the Pension Plan document, the Pension Plan document, as interpreted by the Trustees, will always govern.

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

Very truly yours,

The Board of Trustees

Introduction and Important Points to Remember

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

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

The summary of the Pension Plan that appears in this booklet is intended to provide Participants with information about the important features of the Plan. The actual Pension Plan, which is available online at the Fund's website, www.nasifund.org, is the final word on eligibility for benefits, amounts of pensions, filing requirements, etc., and will control pensions and other benefits awarded from the Fund. If there is any inconsistency between this summary and the actual language of the Plan, the Plan will be the governing document.

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

As you read this booklet, please keep the following in mind:

- Save this booklet. If you lose your copy, you may ask the Fund Office for another. An electronic version of this booklet is also available on the internet at www.nasifund.org.
- A number of terms in this SPD have special definitions. These terms will be capitalized throughout the SPD.
- A pension from this Plan is in addition to any Social Security benefits you may receive.
- Generally, you must send in an application before payments can start.
- You can Retire with a pension at any time after the age 55, if you have earned 15 Pension Credits, including at least 5 Future Service Credits.
- If you are leaving the industry after completing five or more years of service, you may be entitled to a Vested Pension, payable when you have reached the applicable retirement age under the Plan.
- If you want to reject the 50% Joint-and-Survivor Annuity form of pension payment at retirement, both you and your spouse must sign a waiver and have it notarized. More information about this form of pension is given later in this booklet.

- There are special provisions for disability and death benefits.
- Always remember to keep your beneficiary designation current with any changes in your personal situation.
- You have the right to submit to the Trustees for their consideration any questions or disagreements about the operation or administration of the Plan.
- This SPD is intended for your use as a convenient reference on the material features of the Pension Plan in effect as of January 1, 2026. Unless otherwise stated herein, it does not reflect earlier terms or provisions of the Pension Plan. Please refer to a prior SPD or contact the Fund Office (800) 638-2603 if you wish to review information related to rules in effect before January 1, 2026.

For your convenience, many of the issues addressed in this booklet cross-reference the applicable article or section of the Plan document found on the Fund's website. These references to the Plan document appear in parentheses throughout this booklet.

We emphasize that this booklet is a general explanation of the most important provisions of the Pension Plan. Nothing in this booklet is meant to interpret or extend or change in any way the provisions expressed in the Plan. In case of doubt or discrepancy between this SPD and the official Pension Plan document, the Pension Plan document as interpreted solely by the Board of Trustees will always govern. The English language version of this SPD is considered the official text of this SPD, even if this SPD is translated into another language. The Board of Trustees reserve the right to amend, modify, or discontinue all or part of the Plan whenever, in its judgment, conditions so warrant.

The Board of Trustees

The Board of Trustees consists of Employer and Union representatives who jointly administer the Plan in accordance with the Trust Agreement.

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Plan Sponsor, Named Fiduciary, and Plan Administrator Under ERISA

The Board of Trustees

The Board of Trustees has the exclusive responsibility and complete discretionary authority to control the operation and administration of the Plan, with all powers necessary to enable it to properly carry out such responsibility. For example, the Board of Trustees has the exclusive and complete discretionary authority to construe the terms of the Plan, to determine eligibility for benefits, and to resolve all interpretative, equitable, and other questions that arise in the operation of the Plan. All actions or determinations of the Board of Trustees are final, conclusive, and binding on all persons.

Highlights of Your Pension Plan

The information below highlights some of the features of the Plan. More detailed information is provided later in this booklet.

Who is eligible to become a Participant?	You are eligible to become a Participant if you are an employee working in "Covered Employment." Covered Employment means employment covered by a collective bargaining agreement between an Employer and a participating Sprinkler Fitter Local Union which provides for contributions to the Pension Fund.
When do you become eligible to participate?	You become a Participant on the earliest January 1 st or July 1 st after a period of twelve consecutive months in which you perform at least 950 Hours of Service as defined by the Plan. Once you become a Participant, you receive Vesting Service and Pension Credit retroactive to your hire date in Covered Employment.
What types of pensions does the Plan offer?	Your Pension Plan is a defined benefit pension plan, meaning it provides you with monthly benefit payments after you retire based on an established formula. Five types of pensions are available under the Plan. Your type of pension determines the way your pension is calculated, the benefit payment options available, and which eligibility rules apply. The four most common types of pensions are summarized below. Regular Pension You are eligible to retire on a Regular Pension if you are age 61 or older and have at least 15 Pension Credits, five of which are Future Service Credits. You earn one Future Service Pension Credit for each Calendar Year in which you work at least 1,700 hours in Covered Employment. You will be credited with a partial Pension Credit if you work a minimum of 350 hours and fewer than 1,700 hours, as shown in the table in Chapter 2. The amount of your Regular Pension is determined by multiplying your Pension Credits by their corresponding value and adding together the resulting amounts. That final number is your monthly benefit amount, subject to adjustment depending on the form of payment you choose. For example, if you choose a form of payment that provides continued payments to your surviving Spouse or other Beneficiary upon your death, your monthly payments while living will be reduced. This reduction is necessary to cover the actuarial cost of offering this important protection for your family. The exact reduction often depends on the age difference between you and your Spouse or Beneficiary. Early Retirement Pension You can retire on an Early Retirement Pension if you are age 55 or older by the end of the month in which your pension begins and have at least 15 Pension Credits, five of which are Future Service Credits. The monthly amount of the Early Retirement Pension is calculated in the same way as the Regular Pension, but it is reduced to account for the longer time benefits will be paid. If you are an Active Participant and qualify for an Early Retirement Pension, your monthly Regular Pension amount will be reduced by one-sixth of one percent (1/6 of 1%) for each month your Pension Effective Date precedes the month in which you will reach age 61.

	If you are a Terminated Vested Participant, your monthly Regular Pension amount will receive a full actuarial equivalent reduction for each month by which your Pension Effective Date precedes the month in which you will reach age 65. You are considered a Terminated Vested Participant if you are vested and start your pension after incurring a Break-in-Continuity. In general, you incur a Break-in-Continuity if you do not earn at least two-tenth of a Pension Credit (350 Hours) during two (2) consecutive Plan Years. If you become a Terminated Vested Participant, you may regain status as an Active Participant if, after incurring one or more Break(s)-in-Continuity, you return to Covered Employment and earn Years of Vesting Service (950 Hours per Plan Year) at least equal to the total number of years which constituted the Break(s)-in-Continuity. Additional rules and restrictions apply. Vested Pension In general, you are eligible for a Vested Pension if you: (1) cease to be employed in a job covered by the Plan; (2) completed more than one Hour of Service on or after January 1, 1996, and (3) have at least five years of Vesting Service - all five of which have been earned after contributions to the Plan began on your behalf. Payments will generally begin at age 65. However, if you have earned enough Pension Credits to be eligible for a Regular or an Early Retirement Pension, you can start receiving your pension as early as age 55. The Vested Pension is calculated the same way as the Regular Pension (unless you are entitled to an Early Retirement Pension, in which case your benefit will be reduced the same as the Early Retirement Pension). Disability Pension You may retire on a Disability Pension if you have at least 10 Pension Credits, you become Totally and Permanently Disabled as evidenced by a Social Security Disability Award, and you meet one of the Plan's Attachment to the Industry Tests summarized in Chapter 3. Subject to limitations explained in this booklet and in the Plan, the monthly Disability Pension is determined in the same way as the Regular Pension, based on the number of Pension Credits earned to the Date of Disability.
What are the automatic forms of payment for my pension?	50% Joint-and-Survivor Annuity Payment Form In general, unless you and your Spouse reject this payment form in writing before a Notary Public or Plan representative, the Plan will pay your pension in the 50% Joint-and-Survivor Annuity payment form when you retire if you are married at the time benefits begin. Under the 50% Joint-and-Survivor Annuity payment form, you will receive a fixed monthly amount for life, and your surviving Spouse will receive a lifetime benefit equal to 50% of the amount you were receiving during retirement. Your benefit will be adjusted based on the age difference between you and your Spouse. Single Life Pension with 100-Payment Guarantee If you are not married (or you and your Spouse reject the 50% Joint-and-Survivor Annuity payment form) and have elected no other optional form of payment (except the Partial Lump Sum Option), the Regular or Early Retirement pension benefit payable to you for your lifetime is subject to a 100-Payment Guarantee. This is called a "Single Life" because it is paid based only on your lifetime. If you die before you have received 100 monthly payments, your monthly payment will continue to be paid to your

	designated Beneficiary until both of you have received a combined total of 100 monthly payments. The 100-payment guarantee does not apply to Disability or Vested Pensions. Single Life Pension – Disability and Vested Pensions If you are not married (or you and your Spouse reject the 50% Joint-and-Survivor Annuity payment form), retire on a Disability or Vested Pension and do not elect an available optional form of benefit payment, the Disability or Vested Pension will be payable to you for your lifetime only with payment ending on your death.
What are some of the Plan's optional forms of payment for my pension?	If you are not married (or you and your Spouse reject the 50% Joint-and-Survivor Annuity payment form) you may choose other payment options described in this booklet. Other options, subject to restrictions and limitations set forth in the Plan, include: ➤ 100% Joint-Life and Survivorship Option: If you are eligible to receive a Regular or Early Retirement Pension, you may choose for your Beneficiary, whether it be your Spouse or someone else, to receive a lifetime benefit equal to 100% of the reduced amount you have been receiving during retirement. ➤ 66 2/3% or 75% Joint-Life and Survivorship Option: If you are eligible to receive a Regular, Early Retirement, or Disability Pension, you may choose for your Spouse to receive a lifetime pension equal to either 66 2/3% or 75% of the reduced amount you have been receiving during retirement.
What death benefits does the Plan offer?	Actives Employees ➤ Pre-Retirement Surviving Spouse Pension: If you die before you have retired under the Plan but after you are vested, your surviving Spouse will be entitled to a Pre-Retirement Surviving Spouse Pension (provided you and your Spouse have been married for at least one year as of the date of your death). The amount of the benefit payable to your surviving Spouse is based on the monthly benefit you would have been eligible to receive if you had Retired at the time of your death. ➤ Lump-Sum Death Benefit: If you are vested and die before your Pension Effective Date, a Lump-Sum Death Benefit equal to \$1,000 times the number of Future Service Pension Credits you have earned will be paid to your designated Beneficiary. The Lump-Sum Death Benefit will <i>not</i> be payable after your Effective Date of Pension or if a Pre-retirement Surviving Spouse Pension is payable to your Spouse. Pensioners ➤ Lump Sum Death Benefit: If you die while receiving a pension from the Plan, your designated Beneficiary will receive a Lump-Sum Death Benefit of \$1,000 plus \$500 for each Future Service Pension Credit earned after 1974 subject to a maximum of \$5,000. This benefit will be paid <i>in addition</i> to any other benefits your surviving Spouse or Beneficiary may be eligible to receive. Restrictions and limitations to this benefit are discussed further in the booklet.

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Chapter 1: Participation and Contributions

Requirements for Participation (Plan Section 2.01)

You are covered by the Pension Plan if you are an employee working in “Covered Employment.” Covered Employment means employment that is covered by a collective bargaining agreement between an Employer and a participating Sprinkler Fitter Local Union which provides for contributions to the Pension Fund. You become a Participant on the earliest January 1st or July 1st after a period of twelve consecutive months in which you perform at least 950 Hours of Service as defined by the Plan. Once you become a Participant, you receive Vesting Service and Pension Credit retroactive to your hire date in Covered Employment.

Credit for Work As An Apprentice (Plan Section 4.02(b))

Hours that you work as an apprentice before contributions are required to be made on your behalf will count toward vesting in the Pension Plan so long as the collective bargaining agreement under which you work provides for contributions on your behalf at some later date. Vesting Service under this provision is limited to two years unless the collective bargaining agreement provides that an apprentice may be employed for more than two years in a non-covered category, and the parties to the collective bargaining agreement have the Trustees’ approval.

Participation of Owner-Employees (Plan Section 8.02)

All contractors participating in this Plan should have received or should request a current copy of “Guidelines for Participation of Contributing Employers in the Sprinkler Industry Trust Funds.” The Guidelines describe the terms and conditions under which Owner-Employees, Officer-Employees, and their relatives may participate in this Plan. They also explain the requirements for making payments. The Guidelines are also available on the Fund’s website, www.nasifund.org.

Payment of Contributions

All contributions to the Pension Plan are made by Employers who are required by a collective bargaining agreement to make these contributions on behalf of their employees. Employees are neither required nor permitted to make contributions to the Plan.

The Fund Office maintains a record of the hours you work and the Pension Credits you have earned. You may review your record either in person or by calling the Fund Office during regular business hours. You may also view them online through the Fund’s website. The hours recorded on your paystubs should be the same as the hours your Employer reports to the Fund Office. A copy of the hours reported to the Fund Office will be sent to you after the end of each year. Be sure to save all your paystubs for the year and compare them to this report. If there is a difference in the hours reported on your paystubs and the hours listed on the annual report, please contact the Fund Office.

Effect of Changing Jobs

You may switch between Employers or work for several Employers without losing credit, as long as all of your Employers are required to contribute to the Pension Fund on your behalf. If you are no longer working for a Contributing Employer, you should carefully read the section entitled “Losing Pension Credits and Years of Vesting Service.”

Chapter 2: Pension Credit and Vesting Service

The years you have worked in Covered Employment determine your eligibility for a pension, and the amount of your pension benefit at retirement. Covered Employment is work for an Employer who has agreed to make contributions to the Pension Fund on your behalf. Under the circumstances discussed below, periods of work for an Employer before contributions began may be considered Covered Employment.

Pension Credit (Plan Section 4.01)

- ***Past Service: Credit for Service Before Contributions Began (Plan Section 4.01(b))***

You earn Past Service Pension Credit for hours worked in Covered Employment before contributions began on your behalf. For years before contributions were first made on your behalf, you are credited with one Pension Credit for each Calendar Year in which you worked for at least six months in Covered Employment. If you worked in Covered Employment less than six months in one of those Calendar Years, you are credited with one-half of a Pension Credit. A maximum of twenty Past Service Pension Credits may be given.

The date each Local Union joined the Plan can be found in Section 4.07 of the Plan document. The amount of your Past Service Credit will be verified by employment records, U.A. membership records for participating Local Unions and/or Health and Welfare records (if you provide an authorization for the NASI Welfare Fund to release this type of protected health information to the Pension Plan).

It is important to note that if your Local Union or an Employer for whom you have worked in Covered Employment terminates its participation in the Fund, the Trustees have the authority to cancel any Pension Credits you may have earned for employment before contributions began (Plan Section 12.04).

To be eligible for Past Service Credit, you must either have worked at least 4,000 hours in Covered Employment during the four-year period ending two years after your Local Union's participation date, or have earned three Future Service Pension Credits under the Plan, with at least two-tenths of a credit earned during the first two years of your Local Union's participation that are not canceled by a Permanent Break in Service.

- ***Future Service: Credit for Service After Contributions Began (Plan Section 4.01(a)(1))***

You earn Future Service Pension Credit for hours worked in Covered Employment after contributions began. You will be given one Pension Credit for each Calendar Year in which you work at least 1,700 hours in Covered Employment. You will be credited with a partial Pension Credit if you work fewer than 1,700 hours, as shown in the following table:

Hours of Service in Covered Employment during a Calendar Year	Pension Credit for the Calendar Year
1,700 or more	1.0
1,550 or more but fewer than 1,700	.9

1,400 or more but fewer than 1,550	.8
1,200 or more but fewer than 1,400	.7
1,000 or more but fewer than 1,200	.6
950 or more but fewer than 1,000	.5
750 or more but fewer than 950	.4
550 or more but fewer than 750	.3
350 or more but fewer than 550	.2
Fewer than 350	None

- ***Hour Bank (Plan Section 4.01(a)(2))***

You may work more than 1,700 hours during a Calendar Year. While you can earn only one Pension Credit in any Calendar Year, hours you work in excess of 1,700, for which contributions are actually received, will be placed in an “Hour Bank.”

Hours may be drawn from the Hour Bank for years after 1974 in which you earn at least two-tenths of a Pension Credit but less than a full Pension Credit. The hours from the Hour Bank needed to give you a full Pension Credit, as well as a year of Vesting Service, will be added to the number of actual hours worked in those years in which you worked at least 350 Hours in Covered Employment.

A special rule applies if you work at least one hour in Covered Employment in a year, but you do not earn two-tenths of a Pension Credit because of an on-the-job injury in Covered Employment for which you later receive a Social Security Disability Award connected to that injury. In this situation, Hours may be drawn from the Hour Bank for that year and added to your actual hours worked.

The maximum number of Hours that may be transferred from your Hour Bank to produce higher Pension Credit and Vesting Service is 3,400 hours over your entire career.

Any remaining hours in your Hour Bank on the Effective Date of your pension are canceled. If you return to Covered Employment after your Effective Date, your Hour Bank will start at zero (unless you already reached the 3,400-hour maximum: In which case, you will not be eligible to accumulate Hours to the Hour Bank). However, if at the time you Retired or your Required Beginning Date you had not accumulated the maximum 3,400 hours in your Hour Bank, and thereafter you return to Covered Employment, hours worked in excess of 1,700 will be credited to your Hour Bank. Hours added to your Hour Bank *after* your first retirement date can only be applied to service after your first retirement date or after your Required Beginning Date.

Vesting Service (Plan Section 4.02)

Vesting Service is a special measure of time spent under Plan coverage that is used to determine your eligibility for a pension. You earn one year of Vesting Service for each Calendar Year (after contributions begin on your behalf) during which you work at least 950 Hours of Service¹ in Covered Employment. Vesting Service is granted in full years only. Other than the use of Bank Hours for years after 1984 as outlined in Section 4.02(d) of the Plan, there are no provisions for granting partial years of Vesting Service if you work fewer than 950 Hours of Service in a Calendar Year.

You are also entitled to Vesting Service for certain periods in which you are not working in Covered Employment. After December 31, 1975, if you work for a Contributing Employer in a job not covered by this Plan and that non-Covered Employment is “contiguous with” (immediately before or after) Covered Employment with the same employer, your hours in that non-covered job after contributions began will also be counted towards years of Vesting Service.

Periods of disability for which Weekly Disability benefits are paid from the National Automatic Sprinkler Industry Welfare Fund will be counted towards Vesting Service up to a maximum of 501 hours per Calendar Year. Two periods of disability must be separated by a return to work under the Plan of at least ninety days, or they will be considered as a single period of disability.

After December 31, 1975, if you work for a Contributing Employer as an apprentice in a category of apprenticeship that isn’t covered by the Plan, your hours in that non-covered category will be counted towards your years of Vesting Service, even if they are not “contiguous with” your work in Covered Employment. Vesting Service for this type of work is limited to two years of Vesting Service, unless the collective bargaining agreement provides that an apprentice may be employed for more than two years in a non-covered category and the parties to the agreement obtain the Trustees’ approval.

- ***Becoming Vested Under the Plan (Plan Sections 7.10 and 3.05)***

Once you are vested under the Plan you are entitled to a pension regardless of whether you continue to work in Covered Employment until retirement. If you complete at least one Hour of Service on or after January 1, 1996, you have the right to a Vested Pension at Normal Retirement Age if you have at least five years of Vesting Service with a Contributing Employer that have not been canceled by a Permanent Break in Service.

- ***Vesting Service and Pension Credit***

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

¹ An Hour of Service is any hour for which you are paid or entitled to payment for the performance or non-performance of duties during the Calendar Year, or for which back pay is awarded, or agreed to by an Employer. This includes payments for disability from the National Automatic Sprinkler Industry Welfare Fund, but excludes any time you are paid under a workers’ compensation or unemployment compensation law, or a plan adopted to comply with a mandatory disability benefits law.

Credit for Work Under Another Pension Fund & Non-Standard Contribution Rates

- ***Credit for Work Under Another Pension Fund (Plan Section 4.06)***

This Fund has reciprocal agreements with certain other pension funds sponsored in part by Local Unions of the United Association. If the contributions made on your behalf are forwarded to this Fund under a reciprocal agreement, you will get Pension Credits and Vesting Service under this Plan. Since other pension funds often have different contribution rates, a proportional number of hours for Pension Credit purposes is determined by dividing the money received on your behalf from the reciprocal fund by the standard contribution rate for this Fund and multiplying your actual hours by the resulting fraction. This gives you credit proportionally adjusted from the credit you would have received if you had been working under this Fund's contribution rate, up to a maximum of one Pension Credit per year. For purposes of determining eligibility for a Disability Pension, Pension Credit will be given to you without a proportional adjustment.

You will receive Vesting Credit based on the actual number of hours worked under the reciprocal fund. The Fund Office can tell you what funds have a reciprocal agreement with this Fund. The rules and regulations of a reciprocal fund have no bearing on your rights under this Fund.

- ***Non-Standard Contribution Rates (Plan Section 7.06(d))***

Contributions to the Pension Fund are generally required to be made at a rate consistent throughout the sprinkler industry (standard rate). Situations may arise, however, where a court or federal agency order (or an agreement relating to such an order) would require an employer to contribute to the NASI Pension Fund at a rate that is less than the standard rate.

There are two ways by which the Plan deals with such situations:

1. If nonstandard contributions are received on your behalf, the value of the Pension Credits you earn based on hours worked at the nonstandard rate will be prorated. This prorating will be done by multiplying the yearly Pension Credit value by a fraction. The numerator of the fraction is the non-standard rate and the denominator of the fraction is the standard rate.
2. If contributions are being retroactively credited because of a court or agency order or agreement, then the value of Pension Credits for such contributions will be adjusted if, in addition to the contributions, a reasonable rate of interest is not paid on the contributions. This adjustment will be made by multiplying the yearly Pension Credit value by the fraction described in the example above, except that the numerator of the fraction will be adjusted to reflect the present value of the actual contributions at the date the related services were performed. The discount rate that will be used in making this present value calculation will equal the assumed rate of investment return used by the Fund's actuary at the time the contributions are made or the average of the actual rate of return experienced by the Fund over the five-year period before the year the contributions are made, whichever is greater. This adjustment is in addition to the adjustment for non-standard contributions.

Credit for Time Spent in Military Service (Plan Section 4.05)

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

For purposes of the Pre-Retirement Surviving Spouse Pension (Plan Section 5.03) and Death Benefits for Non-Retired Employees (Plan Section 3.15) an Employee or former Employee who dies because of qualified military service on or after January 1, 2007, will be treated as having died while actively engaged in Covered Employment. The designated Beneficiary or surviving Qualified Spouse will be entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan determined as if the Employee or former Employee had resumed working in Covered Employment and then terminated Covered Employment due to death.

Credit for Under the Family and Medical Leave Act of 1993 (Plan Section 4.04)

The Family and Medical Leave Act (FMLA) of 1993 entitles eligible employees to take up to 12 weeks of unpaid job protected leave each year for the employee's own illness, or to care for a seriously ill child, spouse, or parent. In addition, the FMLA provides leave for the birth or placement of a child with the employee in the case of adoption or foster care or a "qualifying exigency" as defined in applicable regulations arising out of the fact that a covered family member is on active duty or called to active-duty status in the National Guard or Reserves in support of a federal contingency operation. In addition, the FMLA provides that an eligible Employee who is a qualifying family member or next of kin of a covered military service member can take up to 26 work weeks of leave in a single 12-month period to care for the covered service member with a serious illness or injury incurred in the line of duty.

Employees eligible for leave under the FMLA are those who have been employed at least 12 months by the employer. An employee at a work site where there are less than 50 employees is not eligible for FMLA leave unless the total number of employees within a 75-mile radius of the employee equals or is greater than 50.

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

Losing Pension Credits and Vesting Service (Plan Section 4.03)

Once you are vested under the Plan, you do not lose your Pension Credits or years of Vesting Service regardless of the length of time you are away from Covered Employment. However, all Pension Credits, Vesting Service and the hours in an Hour Bank will be temporarily or permanently lost if you separate from Covered Employment before you are vested. This happens when you have a Break-in-Service.

The rules on Breaks-in-Service are as follows:

- ***One-Year Break in Service*** (Plan Section 4.03(b)). You have a one-year Break-in-Service if you do not complete at least 350 Hours of Service in any Calendar Year after 1975. You can repair the break if, before you have a Permanent Break-in-Service, you earn a year of Vesting Service, that is, earn 950 Hours of Service in a Calendar Year.
- ***Permanent Break-in-Service after December 31, 1985*** (Plan Section 4.03(c)). After 1985, a Permanent Break-in-Service occurs when you have 5 consecutive one-year Breaks in Service prior to becoming Vested. (For example, suppose you had earned three years of Vesting Service, then

were inactive and had five consecutive one-year Breaks-in-Service. After you attain your fifth year of consecutive Breaks-in Service, all of your previously earned Pension Credits and Vesting Service, as well as any hours in your Hour Bank will be permanently canceled.

- ***Permanent Break-in-Service between January 1, 1976 through December 31, 1985*** (Plan Section 4.03(c)). You had a Permanent Break-in-Service if you were not vested and had consecutive one-year Breaks-in-Service, including at least one after 1975 but before 1986, that equaled your previously earned years of Vesting Service. For example, suppose you had earned three years of Vesting Service, then were inactive and had three consecutive one-year Breaks-in-Service. At that point, all of your previously earned Pension Credits and Vesting Service, as well as any hours in your Hour Bank would have been permanently canceled.
- ***Effect of a Permanent Break-in-Service*** (Plan Section 4.03(e)). If you have a Permanent Break-in-Service, your previous Pension Credits, years of Vesting Service and any hours in your Hour Bank are permanently canceled. Again, you cannot incur a Permanent Break-in-Service if you are vested.
- ***Exceptions.*** There are certain exceptions to the Plan's rules governing Breaks-in-Service. Even though you are not working in Covered Employment, you do not have a Permanent Break-in-Service based on periods for which:
 - you are engaged in qualified military service and return to Covered Employment within the time prescribed by law (Plan Section 4.05);
 - you are disabled to the extent that you cannot work in the sprinkler industry and that fact is established to the satisfaction of the Trustees (Plan Section 4.03(b)(2));
 - you are earning credit under the National Automatic Sprinkler Metal Trades Pension Plan (Plan Section 3.11);
 - you are away from Covered Employment because of (1) your pregnancy, (2) the birth of your child, (3) the placement a child with you in connection with adoption, or (4) the care for such child for a period beginning immediately after such birth or placement. You will be credited with a maximum of 501 Hours of service for parental leave to prevent a one-year Break in Service (Plan Section 4.03(b)(4));
 - you are employed solely as a fire sprinkler inspector for the federal government or a state, county, or municipal government or other governmental unit or agency, provided you had fifteen or more years of Pension Credit when you left Covered Employment (Plan Section 4.03(b)(5));
 - you are not working because you are on family or medical leave in accordance with the Family and Medical Leave Act of 1993 (Plan Section 4.04); or
 - you are otherwise entitled to Pension Credit or Vesting Service under the Plan.

For an individual who is a Participant on or after January 1, 2000, and who has incurred a Permanent Break-in-Service, that individual will have a period of employment with a non-reciprocal pension plan affiliated with a United Association local union counted as if it were Covered Employment in determining whether a Permanent Break-in-Service has occurred, provided such period of employment is documented to the satisfaction of the Trustees.

Chapter 3: Pension Eligibility and Amounts

Types of Pensions

Five types of pensions are provided under the Plan. They are:

- Regular Pension
- Early Retirement Pension
- Vested Pension
- Disability Pension
- Pro Rata/Partial Pension

The type of pension determines the way your pension is calculated, which forms of payment are available to you, and which eligibility rules apply.

- ***Requirement to Retire (Plan Section 7.07)***

Prior to your Required Beginning Date, you may receive your pension benefit only if you separate from service in the sprinkler industry or any other industry covered by the Plan and Retire, or you are disabled as defined in Plan Section 3.07.

To be considered Retired, you must separate from all employment, self-employment, or service, direct or indirect, whether or not compensated, in the sprinkler industry or any other industry covered by this Plan within the United States.

You will also be considered Retired even while employed with a Contributing Employer so long as you have attained at least age 59½ and immediately qualify for an exception for which benefit payments are not suspended for engaging in Disqualifying Employment.

Working in other industries of a type not covered by the Plan, regardless of the number of hours or how much you earn, will not affect your pension benefits unless you continue to work in employment for which contributions are required to be made to the NASI Pension Fund.

Regular Pension

- ***Eligibility (Plan Section 3.01)***

You are eligible to retire on a Regular Pension if you are age 61 or older and have at least 15 Pension Credits, five of which are Future Service Credits.

- ***Amount (Plan Section 3.02)***

The amount of your Regular Pension is determined by multiplying your Pension Credits by their corresponding value and adding together the resulting amounts. That final number is your monthly benefit amount, subject to reduction depending on the form of payment you choose.

- *Value of Pension Credits Earned After January 1, 2025*

The value of Pension Credits earned on and after January 1, 2025, is \$145.

For example, if you began working in Covered Employment on January 1, 2025, and earned thirty (30) consecutive Pension Credits, you will earn a monthly Regular Pension amount of \$4,350 (30 Pension Credits x \$145 = \$4,350).

- *Value of Pension Credits Earned Between January 1, 2024 and December 31, 2024*

The value of Pension Credits earned in 2024 depends on whether you established an Effective Date as of December 31, 2024. If you first Retired on and after January 1, 2025, the value of Pension Credits earned in 2024 is \$145. However, if you first Retired on or before December 31, 2024, the value of Pension Credits earned in 2024 is \$140.

- *Value of Pension Credits Earned Between January 1, 2021 and December 31, 2023*

The value of Pension Credits earned on and after January 1, 2021, through December 31, 2023, is \$135.²

- *Value of Pension Credits Earned Between January 1, 2005 and December 31, 2020*

The value of your Pension Credits earned between January 1, 2005, and December 31, 2020, will generally be \$110. However, as explained below, Eligible Participants will have their Eligible Pension Credits earned between January 1, 2005, through December 31, 2020, valued at \$135.

Eligible Participants who will have their Eligible Pension Credits valued at \$135 include Participants who: (1) first Retired on and after January 1, 2021; and (2) earned at least two tenths of a Pension Credit in 2019 or 2020.³

Eligible Pension Credits are those earned on and after January 1, 2005, through December 31, 2020, that are not subject to an “unrepaired” Break-in-Continuity.⁴ This means:

- If you are an Eligible Participant who does not have an “unrepaired” Break-in-Continuity as of January 1, 2021, for any period from 2005 through 2020, the Pension Credits you earned during this period will be valued at \$135.
- If you are an Eligible Participant who has an “unrepaired” Break-in-Continuity as of January 1, 2021 for any period from 2005 through 2020: (1) your Pension Credits earned from 2005 through 2020 *before* the “unrepaired” Break-in-Continuity will be valued at \$110; and (2) your Pension Credits earned from 2005 through 2020 *after* the “unrepaired” Break-in-Continuity will be valued at \$135.

A Break-in-Continuity is “unrepaired” for this purpose if you have not earned subsequent Years of Vesting Service after your return to Covered Employment at least equal to the total number of years which constituted the Break-in-Continuity as of January 1, 2021.

² The benefit rates per Pension Credits earned for prior Plan Years are ineligible for adjustment to \$135, \$140, or \$145 through any Plan provision, including but limited to the Plan’s Break-in-Continuity rules, with the caveat that certain Pension Credits earned between 2005 and 2020 may be valued \$135 (instead of \$110) if you meet applicable Plan criteria described for one or more of those Plan Years.

³ Participants who were precluded from earning at least two tenths of a Pension Credit in 2019 or 2020 due to an on-the-job injury incurred while working in Covered Employment before January 1, 2020 (as evidenced by proof deemed sufficient by the Trustees), or employment with the United Association or the International Training Fund, shall be treated as if they earned at least two-tenths of a Pension Credit in 2019 or 2020.

⁴ The rules for Breaks-in-Continuity are summarized in the next section of this SPD. In general, you incur a Break-in-Continuity if you do not earn at least two-tenths of a Pension Credit during two consecutive Calendar Years and Pension Credits are not forfeited because of a Permanent Break-in-Service.

Breaks-in-Continuity that apply for purposes of eligibility for the higher Pension Credit value described in this section of the SPD cannot be repaired through Future Service accrued on or after January 1, 2021.

- *Value of Pension Credits Earned Before January 1, 2005*

The value of the Pension Credits you earned before January 1, 2005, is based on the table below. The value of your Pension Credits for this period will depend on the applicable benefit rate and whether one or more Breaks-in-Continuity apply. If one or more Breaks-in-Continuity apply, more than one benefit rate may apply.

BENEFIT RATE PER PENSION CREDIT FOR:

If you Last Separated from Covered Employment:	Past Service⁵	Future Service Through 1974	Future Service After 1975 Through 2004
Before 1969	\$6.30	\$6.30	-
During 1969	8.40	8.40	-
During 1970-72	10.50	10.50	-
During 1973	11.55	11.55	-
During 1974	12.00	12.00	-
During 1975-76	13.00	13.00	\$14.50
During 1977	13.00	13.00	16.00
During 1978	13.00	13.00	18.00
During 1979	13.00	14.00	20.00
During 1980	13.00	17.00	26.00
During 1981	13.00	19.00	30.00
During 1982	13.00	20.00	38.00
During 1983	13.00	24.00	42.00
During 1984	13.00	26.00	47.00
During 1985	13.00	28.00	50.00

⁵ The maximum number of years of Pension Credit granted for Past Service is twenty (20).

During 1986	13.00	30.00	52.00
During 1987	13.00	33.00	55.00
During 1988	15.00	37.00	58.00
During 1989	15.00	41.00	60.00
During 1990	15.00	46.00	67.00
During 1991	15.00	52.00	73.00
During 1992	15.00	55.00	75.00
During 1993	15.00	59.00	78.00
During 1994	15.00	61.00	79.00
During 1995	15.00	62.00	80.00
During 1996 - 1997	15.00	64.00	81.00
During 1998	15.00	68.00	94.00
During 1999	15.00	69.00	102.00
During 2000	15.00	71.00	109.00
During 2001 – 2004	15.00	72.00	110.00

If you separate from Covered Employment during or after 2004, the table above will be used to value the Pension Credits you earned through 2004 (again, with the caveat that, if you have one or more Breaks-in-Continuity, more than one benefit rate may apply to those Pension Credits). The rules for valuing Pension Credits earned on and after January 1, 2005, summarized in the preceding section of this booklet, will apply to the Pension Credits you earn thereafter.

For example, let's assume you are age 65 and last worked under the Plan in 2004. Let's further assume you Retired in 2023 with 20 Pension Credits, all of which were earned through continuous Covered Employment from 1985 through 2004. In this case, based on the Plan rules, regulations, and rates in effect when you left Covered Employment, as set forth in the chart above:

- The Pension Credits you earned are valued \$110 each.
- As a result, your monthly Regular Pension amount, subject to reduction depending on the form of benefit you choose, is \$2,200 (20 Pension Credits x \$110).

- ***Breaks-in-Continuity***

- *In General (Plan Sections 7.06(c)(1) and (2))*

If you do not earn at least two-tenths of a Pension Credit during two consecutive Calendar Years, and Pension Credits are not forfeited because of a Permanent Break-in-Service, you may incur a Break-in-Continuity.

If you incur a Break-in-Continuity, your Pension Credits may be subject to two different benefit rates. Specifically, if you incur a Break-in-Continuity and return to Covered Employment: (1) the Pension Credits you earned before the Break-in-Continuity will be valued based on the applicable Plan rules, regulations, and rates in effect when you left Covered Employment; and (2) the Pension Credits you earn after the Break-in-Continuity will be valued based on the applicable Plan rules, regulations, and rates in effect when you subsequently separate from Covered Employment.

Example: Assume you are age 65 and last worked under the Plan in 2004. Let's further assume you Retired in 2023 with 22 Pension Credits. 20 Pension Credits were earned from 1979 through 1998. Two Pension Credits were earned from 2003 through 2004. In this case, based on the Plan rules and rates in effect when you left Covered Employment, as set forth in the chart in the preceding section of the SPD:

- Your 20 Pension Credits earned through 1998 are valued at \$94 for a total Regular Pension benefit earned during this period of \$1,880 (20 Pension Credits x \$94).
- Your 2 Pension Credits earned from 2003 through 2004 are valued at \$110 for a total Regular Pension benefit earned during this period of \$220 (2 Pension Credits x \$110).
- The value of your Pension Credits earned during these two periods have two different values because you incurred a Break-in-Continuity from 1999 through 2002.
- As a result, your monthly Regular Pension amount, subject to reduction depending on the form of benefit you choose and your age at the time of retirement, is \$2,100 (\$1,880 + \$220).

- *Repairing a Break-In-Continuity (Plan Section 7.06(c)(5))*

In general, you may repair a Break-in-Continuity if you return to Covered Employment following the Break-in-Continuity and earn Years of Vesting Service after your return to Covered Employment equal to the greater of: (1) the total number of years of the Break-in-Continuity; or (2) five years.

However, the benefit rates per Pension Credits earned for prior Plan Years are ineligible for adjustment to \$135, \$140, or \$145 through any Plan provision, including but limited to the Plan's Break-in-Continuity rules, with the caveat that certain Pension Credits earned between 2005 and 2020 may be valued at \$135 (instead of \$110) if you meet applicable Plan criteria described above for one or more of those Plan Years.

For example, let's assume you earned five Pension Credits valued at \$110 each from 2011 through 2015, incur a Break-in-Continuity thereafter from 2016 through 2020, and return to Covered Employment in 2021 and earn ten consecutive Years of Vesting Service (as well as three Pension Credits valued at \$135, and seven Pension Credits valued at \$145 each). In this case, based on the Plan terms, regulations, rules, and rates in effect when you left Covered Employment, as summarized in the preceding sections of the SPD:

- Your Pension Credits for 2011 through 2015 will remain valued at \$110 for a total Regular Pension benefit earned during this period of \$550 (5 Pension Credits x \$110).
 - Your Pension Credits for 2021 through 2023 will be valued at \$135 for a total Regular Pension benefit earned during this period of \$405 (3 Pension Credits x \$135).
 - Your Pension Credits for 2024 through 2030 will be valued at \$145 for a total Regular Pension benefit earned during this period of \$1,015 (7 Pension Credits x \$145).
 - The value of your Pension Credits earned during these four periods have four different values because applicable Plan terms, rules, regulations, and rates presently in effect assign them different values (Plan Sections 3.02(a)(4), (5) and (6)).
 - As a result, your monthly Regular Pension amount, subject to reduction depending on the form of benefit you choose, is \$1,970 (\$550 + \$405 + 1,015).
- *Exceptions to the Break-in-Continuity Rules (Plan Sections 7.06(c)(2), (3), (4), (6), and (7))*

A Break-in-Continuity will not occur during any period that you are away from Covered Employment if: (1) you retire on a Disability Pension, but recover and return to work under the Plan within one year of recovery and earn at least one additional year of Vesting Service; (2) you are receiving workers compensation benefits, or you are disabled to the extent that you cannot work in the sprinkler industry, as demonstrated by proof of disability to the satisfaction of the Trustees; (3) you were performing service in the Armed Forces of the United States; (4) you work fulltime for an apprenticeship or training program jointly sponsored by a participating Sprinkler Fitter Local Union and signatory Employers; or (5) you work fulltime with the United Association.

Early Retirement Pension

- ***Eligibility (Plan Section 3.03)***

You are entitled to Retire on an Early Retirement Pension if you are age 55 or older by the end of the month in which your pension begins and have at least 15 Pension Credits, five of which are Future Service Credits.

- ***Amount (Plan Section 3.04)***

The monthly amount of the Early Retirement Pension is calculated in the same way as the Regular Pension, but it is reduced to take into account the longer period of time over which benefits will be paid. The amount of the reduction will depend on whether you are an Active Participant or a Terminated Vested Participant when you Retire.

- *Early Retirement Reduction for Active Participants*

If you are an Active Participant who qualifies for an Early Retirement Pension, your monthly Regular Pension amount will be reduced by one-sixth of one percent (1/6 of 1%) for each month by which your Pension Effective Date precedes the month in which you will reach age 61.

For example, assume that the monthly Regular Pension amount to which you would otherwise be entitled is \$2,200 per month, and you decide to Retire exactly at age 58 instead of at age 61. Your Regular Pension amount would be reduced by 1/6 of 1% for 36 months, or 6% (1/6% x 36 = 6%). This means that your monthly Regular Pension amount would be

reduced by \$132.00 ($\$2,200.00 \times 0.06 = \132.00) for a total reduced Early Retirement Pension amount of \$2,068.00 ($\$2,200.00 - \$132.00 = \$2,068.00$).

- *Early Retirement Reduction for Terminated Vested Participants*

If you are a Terminated Vested Participant who qualifies for an Early Retirement Pension, your monthly Regular Pension amount will receive a full actuarial equivalent reduction for each month by which your Pension Effective Date precedes the month in which you will reach age 65. A partial list of the reduction factors may be found below. A full table of the reduction factors may be found in Plan Section 3.04.

Retirement Age	Amount of the Reduction
64	9.91%
63	18.67%
62	26.43%
61	33.34%
60	39.49%
59	44.99%
58	49.92%
57	54.35%
56	58.33%
55	61.92%

- ***Determining “Active” or “Terminated Vested” Participant Status⁶***

- *Becoming a Terminated Vested Participant*

You are a Terminated Vested Participant if you are vested and start your pension after incurring an unrepaired Break-in-Continuity.

In general, as explained previously in this booklet, you incur a Break-in-Continuity if you do not earn at least two-tenths of a Pension Credit during two consecutive Calendar Years and Pension Credits are not forfeited because of a Permanent Break-in-Service.

- *Regaining Active Participant Status*

If you become a Terminated Vested Participant, you may regain status as an Active Participant if, after incurring one or more Break(s)-in-Continuity, you return to Covered Employment and earn Years of Vesting Service (950 Hours per Plan Year) at least equal to the total number of years which constituted the Break(s)-in-Continuity.

- *Partial Terminated Vested Status for Certain Pension Credits*

If you (1) become a Terminated Vested Participant; (2) return to Covered Employment; but (3) do not repair your Break-in-Continuity:

⁶ For the avoidance of doubt, all references to Active Participant or Terminated Vested Participant in this section of the SPD apply solely for purposes of determining the reduction applicable to a Participant’s Early Retirement Pension.

- a. You will be treated as a Terminated Vested Participant for the Pension Credits you earned before your Break(s)-in-Continuity; and
- b. You will be treated as an Active Participant for the Pension Credits you earn after the Break(s)-in-Continuity (unless you incur a subsequent Break-in-Continuity before retirement).

For example, let's assume that you earn twelve (12) consecutive Pension Credits, then incur a Break-in-Continuity consisting of five (5) consecutive Plan Years, and then return to Covered Employment and earn three (3) consecutive Years of Vesting Service.

In this example, you have not repaired your Break-in-Continuity because you have not earned Years of Vesting Service at least equal to the total number of years which constituted your Break-in-Continuity.

Therefore, you will be treated as a Terminated Vested Participant for purposes of the early retirement reduction applicable to the Pension Credits you earned *before* your Break-in-Continuity, and you will be treated as an Active Participant for purposes of the early retirement reduction applicable to the Pension Credits you earned *after* your Break-in-Continuity.

Vested Pension

- ***Eligibility (Plan Section 3.05)***

You are eligible for a Vested Pension if you: (1) cease to be employed in a job covered by the Plan; (2) completed more than one Hour of Service on or after January 1, 1996, and (3) have at least five years of Vesting Service,⁷ all five of which have been earned after contributions to the Plan began on your behalf.

Pension payments will generally begin at age 65. However, if you have earned enough Pension Credits to be eligible for a Regular or an Early Retirement Pension, you can start receiving your pension as early as age 55.

- ***Amount (Plan Section 3.06)***

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

Disability Pension

- ***Eligibility (Plan Section 3.07)***

You may Retire on a Disability Pension if you become Totally and Permanently Disabled, qualify for and receive a Social Security Disability Award, and satisfy an attachment to the industry test:

Attachment to the Industry Test – You earned at least ten (10) Future Service Pension Credits (or if your disability began before 1975, you have at least fifteen (15) Pension Credits, five (5) of

⁷ If you have not completed at least one Hour of Service on or after January 1, 1996, you will be eligible for a Vested pension if you have at least 10 years of Vesting Service, all of which have been earned after contributions to the Plan began on your behalf. However, beginning January 1, 1989, Participants who are not covered by a collective bargaining agreement are required to have five years of Vesting Service to be vested under the Plan.

which are Future Service Credits), AND you worked in Covered Employment for at least 500 hours in the period consisting of the Calendar Year during which you became disabled and the two (2) previous Calendar Years.

First Alternate Attachment to the Industry Test – You have at least ten (10) Future Service Pension Credits, and your disability began on or after January 1, 1975; you worked at least 500 Hours in Covered Employment during the 36-month period immediately before your disabling condition began; and you submit proof satisfactory to the Trustees that you did not and could not perform any substantial gainful employment from the time your disabling condition began until the date you are entitled to Social Security disability benefits.

Second Alternate Attachment to the Industry Test – You have at least ten (10) Future Service Pension Credits, the date you are entitled to Social Security Disability Benefits is on or after January 1, 1992; your disability arose as a result of an injury or illness that occurred while you were working in Covered Employment and such injury or illness causes you to become Disabled from Your Occupation (unable to perform the duties of the job in which you were covered under this Plan or any similar or related job); you remain continuously Disabled from Your Occupation until the date of your entitlement to disability benefits stated on your Social Security Disability Award; and you remained available for work in Covered Employment and worked at least 500 Hours in Covered Employment during the 36 months immediately before you became Disabled from Your Occupation. You must submit proof satisfactory to the Trustees, including medical evidence, that you are Disabled from Your Occupation. The Trustees may require you be examined by a Physician chosen by the Trustees and provide evidence that you continue to be Disabled from Your Occupation until you are entitled to Social Security Disability Benefits.

- *Definition of Total and Permanent Disability, Date of Disability*

You are considered Totally and Permanently Disabled upon a determination by the Social Security Administration that you are entitled to a Social Security Disability Benefit under Title II of the Social Security Act (Federal Old Age, Survivors, and Disability Benefits) for a permanent disability.

The Date of Disability for the purpose of this Plan is the Date of Entitlement stated on your Social Security Disability Award. The Trustees may periodically require you to provide evidence of your continued entitlement to a Social Security Disability Benefit for a permanent disability.

- *Effective Date of Your Disability Pension*

The Effective Date of your Disability Pension is the first day of the month following the receipt of a pension application by the Fund Office. An application will be considered to have been received as of the earlier of (a) the date the application is physically received in the Fund Office, or (b) the date the application is provided to a delivery service or mailed so long as the application is actually received, and the Participant provides documentation of the date the application was provided to the delivery service or mailed.

To avoid delays, you should apply for a Disability Pension as soon as possible after the date you receive your Social Security Disability Award. If your request for Social Security benefits is denied, you can continue to work under the Plan while you contest the denial. If you are

successful in receiving Social Security benefits, you will receive credit for all work after your Date of Entitlement to Social Security benefits.

- *Weekly Disability Benefits from the NASI Welfare Fund (Plan Section 7.11)*

You are not entitled to receive a Disability Pension payment for any month in which you receive weekly disability benefits from the NASI Welfare Fund.

- *Duration of the Disability Pension, Impact of Returning to Work*

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

After you are age 65, you are subject to the same suspension of benefits rules for certain employment that apply to any other type of Pensioner under the Plan.

- ***Amount (Plan Section 3.09)***

The monthly amount of the Disability Pension is determined in the same manner as the Regular Pension. However, if the monthly Regular Pension benefit that would otherwise be payable to you, but for your disability, is less than \$1,620, your monthly Disability benefit, before adjustment for the 50% Joint-and-Survivor Annuity (or any available optional form of payment), will be \$1,620. This minimum amount is for pensions effective on or after January 1, 1999.

- *Retroactive Payment for Months Between SSDA Entitlement Date & Pension Effective Date*

Because your Date of Entitlement to Social Security benefits can be before the date you receive your first Social Security payment (and thus the Effective Date of your Disability Pension payment from this Plan is delayed), your first benefit payment from this Plan will be equal to your monthly benefit amount plus any additional lump sum owed to you. The lump sum amount will be equal to your monthly benefit multiplied by the number of months between your Date of Entitlement as stated in your Social Security Disability Award and the Effective Date of your Disability Pension under this Plan.

- ***Contingent Disability Benefit (Plan Section 3.08)***

The process for securing a Social Security Disability Award from the Social Security Administration to demonstrate that you are Totally and Permanently Disabled may take many months, even years. Accordingly, to support Participants while they wait for their Social Security Disability Award, the Plan allows qualifying Participants to receive a contingent Early Retirement Pension and then convert that benefit to a Disability Pension.

To qualify for this conversion right, you must:

1. Apply for a Social Security Disability Award from the Social Security Administration and apply for a Disability Pension from this Fund.⁸

⁸ The requirement to first apply for both a Social Security Disability Award and a Disability Pension is waived if the date the Social Security Administration determines you became disabled under its rules is before the Effective Date of your contingent Early Retirement Pension.

2. Apply for a contingent Early Retirement Pension from this Plan and, if eligible, begin receiving interim Early Retirement Pension payments as you await a decision from the Social Security Administration.
3. Receive a Social Security Disability Award with a Date of Entitlement that is within two (2) years of the Effective Date of your contingent Early Retirement Pension.
4. Send your Social Security Disability Award to the Fund Office within ninety (90) days of receipt.

If you meet these steps and otherwise qualify for a Disability Pension, the Fund Office will convert your contingent Early Retirement Pension to a Disability Pension. This means that you will receive a retroactive payment equal to the difference between the amount of your Disability Pension and the benefits you have received from this Fund since the later of: (a) the Date of Entitlement on your Social Security Award, or (b) the date you applied for a Disability Pension from the Fund. This also means that you will receive Disability Pension payments moving forward.

If you believe you are disabled and are considering your disability payment options from the Social Security Administration and this Pension Fund, we strongly encourage you to contact the Fund Office.

- ***Recovery From Disability (Plan Section 3.10)***

If you recover from your disability or lose your entitlement to Social Security Disability Benefits while receiving a Disability Pension, you must notify the Trustees of your recovery in writing within thirty (30) days. Upon such notification, your pension will be stopped, and you may choose one of the following:

1. You can convert your Disability Pension to a Regular, Early, or Vested Pension, when you meet the applicable age and service requirements. This may be done immediately or when you reach the required age. You may not, however, elect a different benefit payment option when you convert. You retain any retiree increases made while you were receiving your Disability Pension, but an adjustment is made in the amount if you are younger than 61 years of age. You lose your right to convert if you return to employment covered by this Plan and earn one additional year of Vesting Service.
2. You can return to work under this Plan. Once you have earned one additional year of Vesting Service, any future pension would be calculated as if you were retiring for the first time, counting all your years of Pension Credit. You have the right to elect any benefit payment option available under the Plan. If you return to work within one year of your recovery and earn one additional year of Vesting Service prior to reaching 65 years of age, you will not have a Break-in-Continuity for the period of your disability.
3. A Disability Pension will temporarily terminate for any month in which a Disability Pensioner engages in any regular gainful employment for compensation or profit. A temporarily terminated Disability Pensioner will resume receiving Disability Pension benefits upon the Fund's receipt of satisfactory documentation that the Disability Pensioner has not lost entitlement to Social Security Disability Benefits, and the Disability Pensioner ceases such employment. Any Plan provisions regarding benefits following the death of the Disability Pensioner will remain in effect until receipt of notification by the Trustees of the permanent termination of Social Security Benefits.

Pro Rata/Partial Pensions

- ***The Pro Rata/Partial Pension (Plan Section 3.13)***

- *Eligibility*

A Pro Rata/Partial Pension is a type of Vested Pension that is payable once you reach age 65. Partial pension benefits are provided under this Plan to certain Participants who would otherwise not have enough vesting service to be eligible for pension benefits because their years of employment have been divided between pension plans. If another pension plan has been recognized by the Trustees of this Plan as a Related Plan, you can receive a Pro Rata/Partial Pension under this Plan if you do not otherwise qualify for a pension from the NASI Pension Plan and if you worked enough hours under the Related Plan so that when those hours are added to your hours in this Plan, you would have been vested under this Plan's rules had those hours been in work covered by this Plan.

Hours you work under the Related Plan will not count toward Pension Credits and will not affect the amount of your pension benefit under this Plan. Also, hours you work under a Related Plan will not help you avoid a Break-in-Continuity. Such Hours will be counted as Covered Employment for avoiding the provisions of this Plan with regard to the effect of a Break-in-Service.

You will be eligible for a Pro Rata/Partial Pension under this Plan if you satisfy all of the following requirements: (1) you are not otherwise eligible for a pension under this Plan; (2) you have one Pension Credit under this Plan without counting any service under a Related Plan and ignoring any Breaks-in-Service; (3) you would be eligible for a pension under this Plan if the work under the Related Plan was considered work under this Plan, and (4) you earn at least a partial year of Pension Credit in at least one of the funds signatory to the National Automatic Sprinkler Industry Pension Fund's standard money-follows-the-man reciprocal agreement during at least one of the five years before your pension begins.

- *Amount*

The amount of your Pro Rata/Partial Pension is based solely on your Pension Credit under this Plan. Hours worked under a Related Plan have no effect on the amount of your pension benefit under this Plan. Past Service Credit under this Plan will not add to your pension benefit under a Pro Rata/Partial Pension. Payment of a Pro Rata/Partial Pension will be subject to all conditions applicable to other types of pensions under this Plan.

- ***Partial Pension with NAS Metal Trades Pension Plan (Plan Sections 3.11 and 3.12)***

A Partial Pension is a type of Vested Pension and is payable once you reach age 65. If you have at least two (2) Pension Credits in this Plan and if you are vested in the National Automatic Sprinkler (NAS) Metal Trades Pension Plan, you will qualify for a Partial Pension as long as the work covered by the NAS Metal Trades Pension Plan would have prevented a Permanent Break-in-Service if that work had been covered by this Plan. The amount of your Partial Pension is based solely on your Pension Credit under this Plan.

Chapter 4: Automatic Forms of Payment

50% Joint-and-Survivor Annuity Payment Form (Plan Secs. 5.01 and 5.02)

Unless you and your Spouse reject this payment form in writing before a Notary Public or Plan representative, the Plan will pay your pension in the 50% Joint-and-Survivor Annuity payment form when you Retire if:

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

For purposes of this Plan, a Spouse is a person to whom a Participant is considered married under applicable law, or if and to the extent provided by a Qualified Domestic Relations Order, a Participant's former Spouse.

Before your pension starts, the Plan is required to give you an explanation of the various benefit payment options available to you under the Plan and how they affect the amount of your benefit. After you receive this information, you and your Spouse will have at least 30 days to choose your benefit payment form. You and your Spouse can reject the 50% Joint-and-Survivor Annuity payment form at any time after you receive this information, but no more than 180 days before your Pension Effective Date. However, subject to limited exception, you cannot change your benefit option after your Effective Date of retirement.

Under the 50% Joint-and-Survivor Annuity payment form, you will receive a fixed monthly amount for your lifetime, and if you predecease your Spouse, your surviving Spouse will receive a lifetime benefit equal to 50% of the amount you were receiving during retirement. The monthly amount of the pension you receive during retirement will be reduced because your pension is intended to provide protection for your Spouse for life if he or she survives you. The reduction depends on the age difference between you and your Spouse and whether you retire on a Disability or non-Disability pension.

- ***Reduction Factors for the 50% Joint-and-Survivor Annuity Payment Form***

Non-Disability Pension. The amount of a non-Disability Pension is multiplied by 95% if you and your Spouse are less than one year different in age. For each full year your Spouse is older than you, the 95% multiplier factor is increased by .5%. For each full year your Spouse is younger than you, the 95% multiplier factor is decreased by .5%. In any case, your benefit cannot be greater than 99% of your original pension amount (Plan Section 6.08(c)(1)).

Example: Ralph is age 61 and eligible for a Regular Pension of \$3,080 per month. His Spouse is age 58, and they do not reject the 50% Joint-and-Survivor Annuity payment form. Ralph's Regular Pension would be adjusted as follows: $\$3,080 \times 93.5\% = \$2,879.80$.

In this example, the 50% Joint-and-Survivor Annuity multiplier factor was adjusted from 95% to 93.5% because Ralph's Spouse is three years younger than Ralph. ($95\% - (3 \text{ times } .5\% \text{ or } 1.5\%) = 93.5\%$). In this example, Ralph will get \$2,879.80 per month for the rest of his life and 50% of that amount (\$1,439.90) will be payable to his Spouse after his death if the Spouse survives him.

Disability Pension. The amount of a Disability Pension is multiplied by 87% if you and your Spouse are less than one year different in age. For each full year your Spouse is older than you, the 87% multiplier factor is increased by 0.4%. For each full year your Spouse is younger than you, the 87% multiplier factor is decreased by 0.4%. The percent will be increased by an additional 0.3% for each full year you are less than age 55. In any case, your benefit may not be greater than 93% of the original pension amount (Plan Section 6.08(c)(2)).

Example: Assume George is age 56 and eligible for a Disability Pension of \$2,180 per month. Remember, the Disability Pension is calculated the same way as the Regular Pension, regardless of your age when you become disabled. For this example, assume that George's Spouse is also age 56, and that he and his Spouse do not reject the 50% Joint-and-Survivor Annuity payment form. His Disability Pension would be adjusted as follows: $\$2,180 \times 87\% = \$1,896.60$. The adjustment factor is 87% because George and his spouse are the same age.

In this example, George will receive \$1,896.60 per month for life, or for as long as he remains eligible for a Disability Pension, and 50% of that amount (or \$948.30) is payable to his Spouse for life after his death if his Spouse survives him.

Additional Rules for 50% Joint-and-Survivor Annuity Payment Form

In general, for your Spouse to receive a benefit upon your death under the 50% Joint-and-Survivor Annuity payment form, you and your Spouse must have been married to each other throughout the one-year period ending on the date your pension benefits begin.

However, there is an exception to the one-year of marriage rule, for Participants who die within one year of their Effective Date. If you and your Spouse had not been married for at least one year at the time your pension commenced, but you were married for at least one-year as of your date of death, then your Spouse will receive a benefit upon your death under the 50% Joint-and-Survivor Annuity payment form. If your benefit is paid in the 50% Joint-and-Survivor Annuity payment form under this special exception, and you die before you have been married one year, the difference in the amount of the monthly benefit (between the benefit adjusted for the 50% Joint-and-Survivor Annuity benefit and the benefit for your life alone) will be paid to your Spouse or to a designated Beneficiary if your Spouse is deceased.

If your Spouse dies before you have been married one year, your benefit is changed to the applicable benefit payment form for the type of pension on which you have Retired—the Single Life Pension with 100-Payment Guarantee if you Retired on a Regular or Early Retirement Pension or the Single Life Pension if you Retired on a Disability or Vested Pension. This change is effective as of the first of the month following the death of your Spouse. The difference in the amount of the monthly benefit (between the benefit adjusted for the 50% Joint-and-Survivor Annuity benefit and the benefit for your life alone) will be paid to you.

You cannot revoke the 50% Joint-and-Survivor Annuity payment form after your pension payments begin, except as provided in Plan Section 6.08(c)(3), discussed below, or if a Pensioner returns to work in Covered Employment and earns at least 3 consecutive years of Vesting Service and obtains the waiver described in Plan Section 5.02(a).

The benefit payable to your surviving Spouse under the 50% Joint-and-Survivor Annuity payment form will begin on the first of the month following your death, even if you Retired on a Disability Pension before you reached 55 years of age.

Once your pension begins in the 50% Joint-and-Survivor Annuity payment form, the amount you receive will not be increased if you and your Spouse are later divorced. In the case of divorce, your former Spouse is treated as your Spouse unless a Qualified Domestic Relations Order provides otherwise. Any rights of a former Spouse under the Qualified Domestic Relations Order will be honored.

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

- ***Pop-Up Option for Non-Disability Pensions***

If your non-Disability Pension begins on or after January 1, 1991, you can elect a Pop-Up Option when you elect the 50% Joint-and-Survivor Annuity payment form (Plan Section 6.08(c)(3)). Under this benefit payment option, if your Spouse dies before you do, your monthly pension returns to the full amount you would have received if you had not elected the 50% Joint-and-Survivor Annuity payment form. The increase is effective the month following your Spouse’s death. If you elect the Pop-Up Option, the 95% multiplier factor that is adjusted as described above, will be further reduced one percent (1%) to pay for this protection.

Example: For example, Ralph (in the first example of this Chapter) and his Spouse do not reject the 50% Joint-and-Survivor Annuity payment form, but he also elects (and his Spouse consents to) the Pop-Up Option. Ralph’s Regular Pension would be adjusted as follows: \$3,080.00 (monthly pension amount from example) x 92.5% = \$2,849.00.

In this example, Ralph will get \$2,849.00 per month for the rest of his life, and 50% of that amount (\$1,424.50) will be payable to his Spouse if she survives him. If Ralph’s Spouse predeceases Ralph, his pension will increase to \$3,080.00, the Regular Pension amount determined in the example in the preceding section of this booklet, the month following his Spouse’s death.

If you do not elect the Pop-Up option, the pension amount you receive will not increase if your Spouse dies before you. As noted above, you may not elect a Pop-Up if you are retiring on a Disability Pension with a 50% Joint-and-Survivor Annuity payment form.

- ***Important Reminder***

PLEASE REMEMBER THAT, IF YOU ARE MARRIED, THE 50% JOINT-AND-SURVIVOR ANNUITY PAYMENT FORM WILL TAKE EFFECT AUTOMATICALLY, UNLESS YOU AND YOUR SPOUSE REJECT IT IN WRITING AND HAVE THE WAIVER WITNESSED BY A NOTARY PUBLIC OR PLAN REPRESENTATIVE. ONCE YOU RECEIVE THE REQUIRED INFORMATION FROM THE FUND OFFICE, YOU MAY JOINTLY REJECT THIS FORM OF PAYMENT AT ANY TIME DURING THE 180-DAY PERIOD BEFORE YOUR PENSION BEGINS.

Single Life Pension With 100-Payment Guarantee – Regular and Early Retirement Pensions (Plan Section 6.02)

If you are not married or you and your Spouse have properly rejected the 50% Joint-and-Survivor Annuity payment form and have elected no other optional form of benefit payment (except the

Partial Lump Sum Option), the Regular or Early Retirement Pension benefit payable to you for your lifetime includes a 100-Payment Guarantee.

This is called a “Single Life” because it is paid based only on your lifetime. However, if you die before you have received 100 monthly payments, your monthly payment will continue to be paid to your designated Beneficiary until both of you have received a combined total of 100 monthly payments. The 100-Payment Guarantee does not apply to Disability or Vested Pensions.

The protection of the 100-Payment Guarantee stops if you return to Covered Employment after retirement and re-qualify for the Pre-Retirement Surviving Spouse Pension for active Participants (Plan Section 5.03). You re-qualify for the Pre-Retirement Surviving Spouse Pension after you have worked 350 hours in a Calendar Year in Covered Employment. The balance of the 100-Payment Guarantee will continue in effect when you Retire again.

Single Life Pension – Disability and Vested Pensions (Plan Section 6.01)

As noted above, the Single Life Pension with 100-Payment Guarantee is not available if you Retire on a Disability or Vested Pension. If you are not married (or you and your Spouse have properly rejected the 50% Joint-and-Survivor Annuity payment form), Retire on a Disability or Vested Pension, and do not elect an available optional form of benefit payment, the Disability or Vested Pension will be payable to you for your lifetime only with payment ending on your death.

Chapter 5: Optional Forms of Payment

If you are married, the standard form of payment for all types of pensions is the 50% Joint-and-Survivor Annuity payment form. However, if both you and your Spouse formally reject the 50% Joint-and-Survivor Annuity payment form in writing and have your signatures witnessed by a Notary Public (or a Plan representative), together, you may choose from other payment options. If you are not married at the time of your retirement, you may still choose a form of payment other than the Single Life Pension for your lifetime. The chart below summarizes which options are available with each type of pension.

Automatic Benefit Payment Options	Regular Pension	Early Pension	Disability Pension	Vested Pension
Married: 50% Joint-and-Survivor (J&S) Annuity	Yes	Yes	Yes	Yes
Unmarried: Single Life with 100-Payment Guarantee	Yes	Yes	No	No
Unmarried: Single Life	No	No	Yes	Yes
Benefit Payment Options				
Partial Lump Sum	Yes	Yes	No	No
Split Level	Yes*	Yes	No	No
Split Level with J&S	Yes*	Yes	No	No
100% J&S	Yes	Yes	No	No
66 2/3% J&S	Yes	Yes	Yes	No
75% J&S	Yes	Yes	Yes	No
Pop Up with 66 2/3% or 75% or 100% J&S	Yes	Yes	No	No
Single Life with 100-Payment Guarantee	Yes	Yes	No	No
Single Life	No	No	Yes	Yes

* Available Before Social Security Age

Partial Lump-Sum Payment Option (Section 6.03)

If you are eligible to receive a Regular or Early Retirement Pension, you may elect to receive a lump-sum payment of up to \$2,000 at retirement in addition to a lifetime monthly benefit. To allow for such a lump sum payment, your monthly benefit will be reduced, but it will not be reduced by more than 10%. The 100-Payment Guarantee summarized in this booklet still applies if you choose this optional form. **This option is not available to Participants who retire on a Disability Pension or a Vested Pension.**

Effective January 1, 2000, federal law requires that pension plans use certain actuarial assumptions to calculate this benefit. Therefore, the Plan will calculate this benefit using the Plan provisions in effect before 2000 or the new assumptions required by law, whichever is more favorable to you.

Split-Level Option (with or without a Joint and Survivor Annuity) (Section 6.07)

If you Retire with a Regular Pension before age 65 or with an Early Retirement Pension, you may choose to have your monthly pension benefit paid to you in an increased amount until you reach 62 or 65 years of age and then in a reduced amount thereafter. This option will provide a monthly benefit before 62 or 65 years of age that is approximately equal to the combination of a reduced monthly benefit plus Social

Security benefits, whether these begin when you reach 62 or 65 years of age. **This option is not available to Participants who retire on a Disability Pension or a Vested Pension.**

For example, suppose you are entitled to an Early Retirement Pension beginning when you reach 60 years of age of \$3,080 per month, and you expect to receive a Social Security benefit of \$800 per month starting at age 62. Under the Split-Level Option, you would receive the following benefits (Plan Section 6.07):

	From Age 60 to Age 62	After Social Security Starts (Age 62)
From this Plan	\$3,836.60	\$3,036.60
From Social Security	- 0 -	\$800.00
Total	\$3,836.60	\$3,836.60

There is no 100-Payment Guarantee if this option is chosen, and it may not be canceled once payments have begun.

For Participants retiring on or after January 1, 1999, if you are eligible to receive a Regular or Early Retirement Pension, you may choose the Split-Level with 50% Joint and Survivor Option. This option provides for an increased monthly benefit until you reach 62 or 65 years of age and then a reduced amount thereafter. After your death, your surviving spouse receives the 50% survivor benefit in the same amount as the 50% Joint-and-Survivor Annuity payment form.

Effective January 1, 2000, federal law requires that pension plans use certain actuarial assumptions to calculate this benefit. Therefore, the Plan will calculate this benefit using the Plan provisions in effect before 2000 or the new assumptions required by law, whichever is more favorable to you.

100% Joint-Life and Survivorship Option (Plan Section 6.04)

If you are eligible to receive a Regular or Early Retirement Pension, you may choose a Beneficiary, whether it be your Spouse or someone else, to receive a lifetime pension after your death equal to 100% of the reduced amount you have been receiving during retirement. **This option is not available to Participants who Retire on a Disability Pension or a Vested Pension.**

If you elect the 100% Joint-Life and Survivorship option, it will not take effect until twelve months after you have made this election. If you decide to Retire before this twelve-month period has elapsed, you will receive your Regular or Early Retirement Pension in the 50% Joint-and-Survivor Annuity payment form (if you are married and if applicable) until the option is effective.

- ***Reduction Factors for the 100% Joint-Life Survivorship Option***

The amount that you will receive as of the Effective Date of the option will be reduced as follows:

- The amount of the Regular or Early Retirement Pension is first multiplied by 83%. If you and your beneficiary are less than one year different in age, there is no further adjustment. For each full year your beneficiary is older than you, the 83% multiplier factor is increased by .7%. For each full year that your beneficiary is younger than you, the 83% multiplier factor

is decreased by .7%. In any case, your benefit may not be greater than 97% of your original pension amount (Plan Section 6.08(d)).

If you choose a Beneficiary other than your Spouse to receive this benefit and the Beneficiary is more than ten years younger than you, the Beneficiary's benefit may be reduced if and to the extent required by IRS regulations. If this applies to you, the Fund Office will let you know.

- ***Impact of Death of Spouse***

If you die or if your Beneficiary dies before your Effective Date, the 100% Joint-Life and Survivorship Option will not take effect. If your Beneficiary dies after your Effective Date, you will continue to receive the reduced amount for the remainder of your lifetime, unless you elected the Pop-Up Option.

- ***Pop-Up Option***

For Effective Dates on or after January 1, 1991, you can elect a Pop-Up Option when you elect the 100% Joint-Life and Survivorship Option if your Spouse is your Beneficiary. Under the Pop-Up Option, if your Spouse dies before you do, your monthly pension "pops up" or increases to the monthly amount you would have received if your pension was calculated as the Single Life with 100-Payment Guarantee option. The pop-up increase is effective the month following your Spouse's death. If you elect the Pop-Up Option to apply to the 100% Joint Life and Survivorship Option, your monthly benefit will be reduced an additional 1.6% to pay for this protection.

66 2/3% AND 75% Joint-Life and Survivorship Option (Plan Sections 6.05 and 6.06)

If you are eligible to receive a Regular, Early Retirement, or Disability Pension, you may choose for your Spouse to receive a lifetime pension after your death equal to either 66 2/3% or 75% of the reduced amount you have been receiving during retirement. If you elect the 66 2/3% or 75% options, you do not have to wait twelve months for the option to be effective. **These options are not available to Participants who Retire on a Vested Pension.**

- ***Reduction Factors for the 66 2/3% Joint-Life Survivorship Option***

Non-Disability Pension. If you elect the 66 2/3% Joint-Life and Survivorship Option and are not receiving a Disability Pension, the amount you will receive as of your pension Effective Date will be reduced as follows:

- The amount of the Regular or Early Retirement Pension is first multiplied by 92%. If you and your Spouse are less than one year different in age, there is no further adjustment. However, for each full year your Spouse is older than you, the 92% multiplier is increased by .5%. For each full year that your Spouse is younger than you, the 92% multiplier is decreased by .5%. In any case, your benefit may not be greater than 98% of your original pension amount (Plan Section 6.08(i)(1)).

Disability Pension. If you elect the 66 2/3% option and are receiving a Disability Pension, the amount you will receive as of your pension Effective Date will be reduced as follows:

- The amount of the Disability Pension is first multiplied by 80.5%. If you and your Spouse are less than one year different in age, there is no further adjustment. However, for each full year your Spouse is older than you, the 80.5% multiplier is increased by .5%. For each full year that your Spouse is younger than you, the 80.5% multiplier is decreased by .5%. In

addition, the multiplier is increased by .4 % for each full year you are less than age fifty- five. In any case, your benefit may not be greater than 89% of your original pension amount (Plan Section 6.08(i)(2)).

- ***Reduction Factors for the 75% Joint-Life Survivorship Option***

Non-Disability Pension. If you elect the 75% option and are not receiving a Disability Pension, the amount you will receive as of your pension Effective Date will be reduced as follows:

- The amount of the Regular or Early Retirement Pension is first multiplied by 90.5%. If you and your Spouse are less than one year different in age, there is no further adjustment. However, for each full year your Spouse is older than you, the multiplier is increased by .6%. For each full year your Spouse is younger than you, the multiplier is decreased by .6%. In any case, your benefit may not be greater than 98% of your original pension amount (Plan Section 6.08(j)(1)).

Disability Pension. If you elect the 75% option and are receiving a Disability Pension, the amount you will receive as of your pension Effective Date will be reduced as follows:

- The amount of the Disability Pension is first multiplied by 79%. If you and your Spouse are less than one year different in age, there is no further adjustment. However, for each full year your Spouse is older than you, the multiplier is increased by .5%. For each full year that your Spouse is younger than you, the 79% multiplier is decreased by .5%. In addition, the multiplier will be increased by .4 percentage points for each full year the Participant is less than age fifty-five. In any case, your benefit may not be greater than 87% of your original pension amount (Plan Section 6.08(j)(2)).

- ***Impact of Death of Spouse***

These options will not take effect if either you or your Spouse dies before the first payment. Otherwise, unless you elect the Pop-Up Option in connection with either the 66 2/3% Survivorship Option or the 75% Survivorship Option, you will continue to receive the reduced amount for the remainder of your lifetime if your Spouse dies after the Effective Date of the option.

- ***Pop-Up Option***

If your pension begins on or after January 1, 1991, you can elect a Pop-Up Option when you elect the 66 2/3% or 75% Joint-Life and Survivorship Option. Under the Pop-Up Option, if your Spouse dies before you do, your monthly pension returns to the full amount you would have received if you had not elected the 66 2/3% or 75% Joint-Life and Survivorship Option. The increase is effective the month following your Spouse's death. If you elect the Pop-Up Option, your monthly benefit will be reduced by 1.2% for the 66 2/3% option, or by 1.3% for the 75% option, to pay for this protection (Plan Section 6.08(c)(3)).

Effect of Work After Retirement on Payment Options (Plan Sections 7.08 and 7.09)

If you return to Covered Employment after retirement, your pension will be recomputed to take into account additional benefits you have earned but only if you complete a year of Vesting Service (950 hours in a Calendar Year) after your return to Covered Employment (Plan Section 7.09(b)).

If you originally Retired before Normal Retirement Age (generally before age 65), return to Covered Employment, and earn at least one year of Vesting Service (950 hours), you can elect a different benefit payment form for any additional benefits you earn during your return to work, except as provided in the following paragraph. If you originally Retired at or after Normal Retirement Age (generally at or after age 65), any additional benefits you earn when you return to work will be paid in the benefit payment form you elected when you originally Retired (Plan Sections 7.08(i)(4) and (5)).

If you return to Covered Employment after your retirement and earn at least three (3) consecutive years of Vesting Service after you return, you will be allowed to elect, with the consent of your Spouse (as determined as of each applicable Effective Date), if applicable, a different form of payment for all of your benefits including those earned before your return to work, regardless of whether you originally Retired before or after Normal Retirement Age (Plan Section 7.08(i)(7)).

The following special rules also apply if you return to Covered Employment after your retirement:

- If you rejected the 50% Joint-and-Survivor Annuity payment form at retirement, the surviving Spouse protection for active employees will be restored the January 1st after you complete a year during which you work 950 hours or more (Plan Section 5.03(d)).
- If at retirement you chose a 50% Joint-and-Survivor Annuity payment form, or any of the other optional forms of payment described above that provide for a benefit after your death, you will not be entitled to the surviving Spouse protection for active employees. The death benefit of the benefit payment form you selected at retirement will remain effective while your benefits are in suspended status with the exception of the 100-Payment Guarantee described below (Plan Section 7.09(c)).
- If you elected the 100-Payment Guarantee, its protection stops when you re-qualify for death benefits for active employees (on the January 1st after you complete 950 hours of work in a Calendar Year). The 100-Payment Guarantee will be in force when you Retire again, but the payments made during your first retirement count toward the 100 payments (Plan Section 7.09(c)).
- The 100-Payment Guarantee is always based on all pension payments you ever receive from this Fund, even if you change your option to the 100-Payment Guarantee when you Retire again.

Chapter 6: Death Benefits

Pre-Retirement Surviving Spouse Pension (Plan Section 5.03)

If you die before you Retire, but after you are vested, your surviving Spouse will be entitled to a Pre-retirement Surviving Spouse Pension. For your Spouse to be eligible for the Pre-retirement Surviving Spouse Pension, you and your Spouse must have been married to each other for at least a one-year period ending on your date of death. The amount of the benefit payable to your surviving Spouse is based on the monthly benefit you would have been eligible to receive if you had Retired at the time of your death.

Your surviving Spouse will be entitled to *the greater of*:

- The value of one hundred monthly pension payments you would have been eligible to receive if you had Retired at the time of your death actuarially determined based on lifetime benefits that your surviving Spouse would receive each month for his or her life, or
- A pension determined as if you had Retired the day before your death on a pension payable in the 50% Joint-and-Survivor Annuity payment form.

Remember, the amount of the Pre-retirement Surviving Spouse Pension is based on the monthly benefit you would be eligible to receive if you had Retired at the time of your death. If you die before age 55, your monthly benefit will be calculated as if you had stopped working on the day of your death, lived to and Retired at age 55, and died the next day. If you die after age 55, your monthly benefit will be based on your actual age at death.

The Pre-retirement Surviving Spouse Pension is payable to your surviving Spouse on the first day of the month following your death. Your Spouse can elect in writing to have benefits begin at a future date, but not after the later of December 31st of the year in which you would have been age 70 ½ or December 31st of the Calendar Year immediately following the Calendar Year in which you died.

Lump-Sum Death Benefits

- ***Lump-Sum Death Benefit for Pensioners (Plan Section 3.16)***

If you die while receiving a pension from the Plan, your designated Beneficiary will get a Lump-Sum Death Benefit of \$1,000 plus \$500 for each Future Service Pension Credit earned after 1974 subject to a maximum of \$5,000. For example, if you earn 8 Pension Credits after 1974 and die after your Effective Date of retirement, your Beneficiary will get \$1,000 + (\$500 x 8) or \$5,000 at the time of your death. This benefit will be paid *in addition* to any other benefits your surviving Spouse or Beneficiary may be eligible to receive. However, this benefit will not be payable on the death of a surviving Spouse or Beneficiary.

- ***Lump-Sum Death Benefit for Active Employees (Plan Section 3.15)***

If you are a vested, and Participant, and die without a Qualified Spouse before your Pension Effective Date, a Lump-Sum Death Benefit equal to \$1,000 times the number of Future Service Pension Credits you have earned will be paid to your designated Beneficiary. For example, if you have earned 25 Future Pension Credits at the time of your death, your Beneficiary will receive \$25,000 (\$1,000 x 25).

The Lump-Sum Death Benefit will *not* be payable if the 50% Joint-and-Survivor Annuity payment form is in effect or if a Pre-retirement Surviving Spouse Pension is payable to your Spouse.

- ***Effect of Returning to Work After Retirement on Lump-Sum Death Benefit Coverage***

If you return to work after you Retire, you will continue to qualify for the Lump-Sum Death Benefit for Pensioners until you have worked 350 hours in Covered Employment in a Calendar Year. After that, you will qualify for the Lump-Sum Death Benefit for Active Employees (\$1,000 per year of Future Service Credit) under its terms and conditions. However, the active Employee Lump-Sum Death Benefit is not available if you and your Spouse elected to have your pension benefit paid in the 50% Joint-and-Survivor Annuity payment form when you Retired. Working retirees who have elected either the 50% Joint-and-Survivor Annuity payment form or one of the Joint-Life and Survivorship benefit payment options continue to have protection for their surviving Spouses or beneficiaries under the benefit payment form elected even if they return to work after retirement. Therefore, these individuals cannot qualify for the Lump-Sum Death Benefit for Active Employees.

In addition, the retiree Lump-Sum Death Benefit is no longer available when you re-qualify for the higher Pre-retirement Surviving Spouse Pension benefit payable to surviving Spouses of Active Participants. You re-qualify for the Pre-retirement Surviving Spouse Pension benefit on the January 1st after you have worked 950 hours in a Calendar Year, unless you have elected one of the Joint-Life and Survivorship options with a Beneficiary other than your Spouse.

You may want to discuss your situation with the Fund Office concerning options and survivor protection, should you return to work after retirement. Returning to work after retirement may also affect medical coverage under the NASI Welfare Fund for you and your Spouse.

Your Beneficiary (Plan Sections 3.17, 3.18, and 3.20)

The Lump-Sum Death Benefit payment is paid to the Beneficiary you have designated on the form provided by the NASI Pension Fund for that purpose. An unmarried Participant may change this Beneficiary at any time without the consent of the Beneficiary. A married Participant may change the designated Beneficiary only with the consent of his or her Spouse.

In general, the Trustees will pay benefits based on the most recent Beneficiary designation which was received by the Fund Office prior to the death of the person making the designation. However, the naming of an individual as designated Beneficiary who is or later becomes the Spouse of the person making the designation will be automatically revoked and invalidated upon divorce, dissolution of marriage, annulment, or the completion of any other proceeding pursuant to which that person is no longer the Spouse of the person making the designation. You may rename your former Spouse as designated Beneficiary by forwarding such designation (on the form provided by the Fund for that purpose) to the Fund Office.

- ***No Beneficiary Designation (Plan Section 3.18)***

If you do not designate a Beneficiary, or if your Beneficiary dies before you, the benefit will be paid to the first of the individuals in the order listed:

1. Your properly designated beneficiary, if any, with the National Automatic Sprinkler Industry Welfare Fund or any other sprinkler local welfare fund;
2. Your surviving Spouse; then

3. Your surviving children; then
4. Your surviving parents.

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

If the present value of any pension benefit payable under this Plan, including Death Benefits, is \$5,000 or less, the Trustees will pay that benefit in a lump sum upon submission of a properly completed application.

- ***Beneficiary Disclaimer of Benefits (Plan Section 3.20)***

A Beneficiary may decline to accept benefits otherwise payable to the Beneficiary as a result of the death of a Participant or another Beneficiary. To decline benefits, the Beneficiary must sign and deliver to the Fund Office a written disclaimer of Plan benefits which satisfies the requirements below:

1. The disclaimer must be an irrevocable and unqualified written refusal by the individual who would otherwise receive Plan benefits as a Beneficiary not to accept such benefits;
2. The written disclaimer must be received in the Fund Office no later than the date that is nine (9) months after the date of death of the Participant or Beneficiary by reason of which the disclaiming individual would be entitled to Plan benefits;
3. The disclaiming individual has not accepted any portion of the Plan benefits being disclaimed;
4. As a result of the disclaimer, the Plan benefits are paid in accordance with the Plan document and without any direction on the part of the individual making the disclaimer to a person other than the individual making the disclaimer; and
5. The disclaimer must satisfy the requirements of applicable state law, which must be evidenced by an opinion of counsel for the disclaiming individual submitting the disclaimer.

Chapter 7: Applying for Benefits

Applying for Benefits (Plan Section 7.01)

To receive a benefit from the Pension Plan, you must file an application with the Fund Office within 180 days prior to your intended Pension Effective Date. Applications are available from the Fund Office.

If you do not fully complete the application form or if any proof or supporting documents are missing, it may delay the start of your pension payments. For this reason, you are encouraged to file as soon as you decide on your intended retirement date. Early filing will avoid a delay in the processing of your application and the start of payment of benefits.

An application will be considered to have been filed as of the earlier of (a) the date the application is physically received in the Fund Office, or (b) the date the application is provided to a delivery service or mailed, as long as the application is actually received, and the Participant provides documentation of the date the application was provided to the delivery service or mailed (Plan Section 7.05(b)(2)).

- ***Proof Necessary to Determine Your Entitlement to Benefits (Plan Section 7.02(a))***

Every claimant for benefits must furnish, at the request of the Fund, any information or proof reasonably required to determine their benefit rights. If you willfully make a false statement or furnish fraudulent information or proof in support of your pension application, your benefits may be denied, suspended, or discontinued. The Trustees have the right to recover or adjust future pension payments to recover any benefits paid in reliance on any false statement, information, or proof submitted (including the withholding of material facts) plus interest, fees, and costs.

When Benefits Begin (Plan Section 7.05)

Your pension benefits will begin on the first day of the first month after you have met all requirements for entitlement to benefits. Remember, such requirements include filing a complete pension application in advance of the date you want your pension payments to begin.

In some limited circumstances, your benefits may be paid as of a date that is earlier than when you have completed all of these detailed forms and requirements, provided your substantially complete application form was received by the Fund Office before the Effective Date. This is referred to as the “Retroactive Annuity Starting Date.” In no event can a Retroactive Annuity Starting Date be more than six (6) months prior to the date your benefit payments actually begin.

The following example illustrates how the Retroactive Annuity Start Date can be beneficial:

Example: You received your application (including the information concerning your benefit payment options) on October 1st and mailed your application, which was received by the Fund Office on February 28th. The Fund Office discovers that you or your Spouse forgot to sign the waiver of the Joint and Survivor Benefit Payment Form and sends it back to you, but you are on vacation celebrating your retirement and don’t get the additional form in until mid-April. Your application was received before March 1st, so that should be your pension Effective Date. However, under the law, the Joint and Survivor election must be made within 180 days of the date you received the information from the Plan about the choices available to you under the Plan. Under the old rule, the Plan would have had to send new information to you so that your

election of a benefit payment option was made within 180 days of receiving the information about your choices and, as a result, your pension would have been delayed. Under the current rule (which was added when the law changed), you can complete the waiver form in April and elect the earlier, or “retroactive,” annuity starting date and receive your pension benefits for March and April.

You may not receive a pension for any month in which you have received Weekly Disability benefits from the National Automatic Sprinkler Industry Welfare Fund.

Under Federal law, the Plan is generally required to provide you with information about your benefit payment options no sooner than 180 days and no less than 30 days before your pension payments begin. This means that the payment of your benefits generally cannot begin sooner than 30 days after the Fund Office has given you benefit election and spousal consent forms and provided you with information about your payment options. However, under the law, you may waive this requirement and have your benefits paid early under specified circumstances.

Initial Decision on Your Application

- ***Timing of Decision***

In General. After you file an application for benefits, the Fund Office will generally notify you of its decision within 90 days after it receives the application. However, if the Fund Office determines that special circumstances require an extension of time for processing your application, the Fund Office will notify you in writing and before the end of the initial 90-day period that it will need additional time to process your application. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Fund Office expects to make a decision on your application. Such date will not exceed 90 days from the end of the initial 90-day period.

Special Rules for Disability Pension Claims. If your application for a Disability Pension is denied in whole or in part, the Fund Office will provide you with a written notice of such denial within a reasonable period of time, but not later than 45 days after the Fund Office receives your application, unless circumstances beyond the control of the Fund require an extension of time to process your application. In such circumstances, the initial 45-day period may be extended for up to two additional 30-day periods if the Fund Office notifies you of the extensions prior to the expirations of the initial 45 days and the first 30-day extension period, respectively. Any notice of extension will indicate the circumstances requiring an extension, the date by which a decision is expected to be reached, the standards upon which entitlement to a benefit is based, the unresolved issues that require an extension, and additional information needed to resolve those issues.

Incomplete Claims. If an extension is needed because your claim is incomplete, an extension notice will specify the information needed. You will then have 45 days to provide the Fund Office with additional information or to complete a claim.

- ***Content of Initial Decision Notice***

If your application is denied, a benefit denial notice will set forth the specific reasons for the denial, refer to the specific provisions of the Plan upon which the denial is based, describe any additional material or information that might help your claim, and explain why that information

is necessary, and describe the Plan's review procedures and applicable time limits, including a right to bring a civil action under section 502(a) of the Employee Retirement Income Security Act of 1974 (ERISA).

Additional Rules for Disability Pension Claims. In the case of a denied application for a Disability Pension, your benefit denial notice will also, to the extent applicable, include an explanation of the basis for disagreeing with or not following: (1) the views you presented to the Plan of health care professionals treating you and vocational professionals who evaluated you; (2) the views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with your adverse benefit determination; and (3) a disability determination made by the Social Security Administration regarding you. The notification will also include: (1) either the specific rules, guidelines, protocols, standards or other similar criteria of the Plan relied upon in making the adverse benefit determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the Plan do not exist; and (2) a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits. Such notification shall be provided in a culturally and linguistically appropriate manner.

Appeal Procedures (Plan Section 7.04)

- ***In General***

If your application is denied, or if you disagree with a policy, determination, or action of the Fund, you may submit a written appeal to the Trustees, requesting that the Trustees review your benefit denial or the Fund policy, determination, or action with which you disagree. Your written appeal must be submitted within 180 days of receiving the notice of denial of benefits. Your appeal should be sent to:

Board of Trustees
National Automatic Sprinkler Industry Pension Fund
8000 Corporate Drive
Landover, MD 20785

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

You should include with your appeal any documents that support your claim. The review of your claim will take into account all comments and documents that support your position, even if the Plan did not have this information in making the initial determination. Upon receipt of an adverse benefit determination, you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, relevant information regarding the claim determination.

You may designate a representative to act on your behalf in filing an appeal of a denial relating to your application or other adverse benefit determination. If the Fund Office or Trustees are uncertain whether or not you have designated a representative, they may request that you put such designation in writing and may decline to communicate with a third party claiming to be your representative until such written designation is received.

Additional Rules for Disability Pension Claim. The review of a Disability Pension appeal will be conducted by an individual who is neither the individual who decided the initial application nor the subordinate of such individual. The decision on appeal shall give no deference to the initial denial or adverse determination. In the case of a Disability Pension determination based in whole or in part on a medical judgment, a health care professional who has appropriate training and expertise in the field of medicine, and who was not consulted in connection with the initial application, will be consulted. Such professional shall not be a subordinate of any professional consulted in connection with the initial denial. You have the right to learn the identity of any health care professional contacted in connection with your claim.

In the case of a Total and Permanent Disability Pension application, the Fund will, before issuing an adverse benefit determination on appeal, provide you, free of charge, with any new or additional evidence or rationale considered, relied upon, or generated by the Fund or other person making the benefit determination (or at the direction of the Fund or such other person) in connection with your claim. You will be provided with such evidence as soon as possible and sufficiently in advance of the date on which the notice of adverse benefit determination on review is required to be provided to you to give you a reasonable opportunity to respond prior to that date.

- ***Decision on Appeal***

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

If special circumstances require an extension of time for reviewing your claim, you will be notified in writing of the need for the extension. The notice will be provided prior to the commencement of the extension, describe the special circumstances requiring the extension, and set forth the date the Trustees will decide your appeal. Such date will not be later than the third meeting of the Trustees or Committee following the Fund Office's receipt of your appeal. You will receive written notice of the decision of the Trustees, or a person or persons designated by the Trustees, within five days of their decision.

- ***Content of Appeal Denial Notice***

If your appeal is denied, a written denial notice will set forth the specific reasons for the decision, the specific Plan provisions upon which the decision was based, a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, information relevant to your claim for benefits, and a statement of your right to bring a civil action under section 502(a) of ERISA.

Additional Rules for Disability Pension Claims. In the case of an appeal for a Disability Pension, your appeal denial notice will also, to the extent applicable, include an explanation of the basis for disagreeing with or not following: (1) the views you presented to the Trustees of health care professionals treating you and vocational professionals who evaluated you; (2) the views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with

your adverse benefit determination; and (3) a disability determination made by the Social Security Administration regarding you. The notification will also include: (1) either the specific rules, guidelines, protocols, standards or other similar criteria of the Fund relied upon in making the adverse benefit determination or, alternatively, a statement that such rules, guidelines, protocols, standards, or other similar criteria of the Plan do not exist; and (2) a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits. Such notification shall be provided in a culturally and linguistically appropriate manner.

- ***Right to Voluntarily Renew Your Appeal***

You may renew your appeal if you have any additional information or arguments to present. A renewed appeal must be submitted in writing, and the rules and limits stated above apply. A renewed appeal is voluntary and will not affect your right to any other benefits under the Plan. The Plan will not assert a failure to exhaust administrative remedies if you choose to pursue a claim in court rather than renewing your appeal. In connection with an appeal or a renewed appeal, you may review pertinent documents in the Fund Office after making appropriate arrangements, or you may request that documents be provided to you. Such information will be provided free of charge.

- ***Authority of the Trustees (Plan Sections 7.03 and 7.04(b))***

The Trustees have exclusive, full, and complete discretionary authority to interpret the Plan and to determine all questions arising in the administration, application and interpretation of this Plan. They have exclusive, full, and complete discretionary authority to make factual determinations; to establish policies with respect to the status of Participants in the Plan; to establish the standard of proof required in any case; and to determine the amount of and eligibility for any benefit under the Plan. Decisions of the Trustees are final and binding on all parties, including but not limited to all Participants, Beneficiaries, and any other person dealing with the Plan.

- ***Requirement to Exhaust Your Rights Under These Procedures (Plan Section 7.04(c))***

You may not commence a judicial proceeding against any person, including the Plan, a Plan fiduciary, the Plan Administrator or Trustees, the Fund Office, or any other person, with respect to a claim for any benefits without first exhausting the claims and appeals procedures set forth herein.

- ***Statute of Limitations and Limited Judicial Review (Plan Section 7.04(c))***

Once you have exhausted those procedures, if you are dissatisfied with the ultimate outcome, you may bring an action under Section 502 of ERISA to review the Plan's decision in an appropriate court. Such court action must be commenced no later than the earlier of: (1) the applicable statute of limitations, or (2) the second anniversary of the date of the decision on appeal. If you decide to seek judicial review, the Trustees' decision shall be subject to limited judicial review to determine only whether the decision was arbitrary and capricious.

- ***Extensions of Applicable Time Limits***

Throughout the procedures set forth above, there are several time limits within which a claimant must file an application or appeal and within which the Fund or Trustees must issue a decision on

such application or appeal. The Fund or Trustees may agree to extend the time limits within which you must file, and you may agree to extend any time limit within which the Fund or Trustees must issue a decision. The agreement to extend a time limit must be knowing, explicit, and confirmed in writing before the period in question expires.

The special claims and appeal rules set forth herein for claims and questions relating to a disability do not apply if your rights under the Plan are conditioned upon a finding of the Social Security Administration that you are disabled.

Chapter 8: Benefit Suspensions and Federal Distribution Rules

Working After Retirement – Suspensions of Benefits (Plan Section 7.08)

If you Retire, commence your pension benefit, and return to work in Disqualifying Employment, your pension benefit may be suspended. If your pension benefit is suspended for one or more months, this means that you are not entitled to the payment of benefits for those months.

- ***Returning to Work Before Normal Retirement Age (Plan Section 7.08(a))***

If you are under 65 years of age, you may not work in any job in the sprinkler, plumbing, or pipefitting industry. You may not work as an employee or be self-employed in union or non-union employment in these industries. This is “Disqualifying Employment” for periods before you are 65 years of age.

If you are Retired, are under 65 years of age, and begin working in a job which is considered Disqualifying Employment for that period, your pension benefit will be suspended for each month you work, plus an additional five (5) months.

If you do not notify the Fund Office within twenty-one (21) days of the date you begin Disqualifying Employment, your pension will be suspended for an additional six (6) months, totaling eleven (11) additional months.

Effective June 1, 2006, the five-month suspension mentioned above will be waived if you notified the Plan of your return to work within twenty-one days of the date you began Disqualifying Employment. This waiver can only apply the first time you return to work after June 1, 2006. If you do not notify the Plan within twenty-one days of your return to work, you are not eligible for the five-month waiver, and you are subject to the additional six-month suspension.

- ***Returning to Work After Normal Retirement Age (Plan Section 7.08(b))***

Disqualifying Employment after Normal Retirement Age means employment, self-employment, or supervisory employment that is in an industry covered by the Plan when your monthly benefits began, in the geographic area covered by the Plan when your pension began, and in any occupation in which you worked under the Plan at any time or any occupation covered by the Plan at the time your pension payments began. (Work as a sprinkler fitter will be disqualifying if it involves one or more skills of that trade or craft directly or, in the case of supervisory work, indirectly.) If you begin working in Disqualifying Employment after Normal Retirement Age, your pension benefit will be suspended for each month in which you work forty (40) hours or more.

In other words, if you started your pension and you are at least 65 years old, you may not perform any work in the United States that is covered by this Plan; that is, work as a union or nonunion sprinkler fitter in the construction industry (or any other industry covered by this Plan when you became a Pensioner), regardless of whether you are an employee or self-employed, for forty (40) or more hours in a month for which you receive pension. If you do, your pension will be suspended.

You may, however, work for less than forty (40) hours a month. (Please note that benefits under the NASI Welfare Fund will be suspended for any hours of such work. The NASI Welfare Plan rules should be consulted for a full description of the consequences of returning to work as it relates

to your health benefits.) Finally, the suspension rules also apply to Participants who do not Retire and continue to work past age 65.

- ***You Must Advise the Fund if You Begin Working in the Industry (Plan Section 7.08(d)(2))***

You must inform the Fund Office that you have begun working in a job in the industry and/or the geographic area covered by the Plan within 21 days after you begin work, regardless of the number of hours you work per month. If no notice is given to the Fund Office, the Plan will presume that you are working at least 40 hours in the month you began work and each month thereafter until you notify the Fund that you are no longer working. You may overcome this presumption with proof that the work you performed was not subject to the suspension of benefit rules of the Plan.

- ***Verification That You Are Not Working in Disqualifying Employment (Plan Section 7.08(e))***

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

- ***Resumption of Benefit Payments Following Suspension (Plan Section 7.08(d)(3))***

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

- ***Recoupment of Benefits Paid During Disqualifying Employment (Plan Section 7.08(h)(2))***

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

- ***Appeals and Advance Determinations of Disqualifying Employment (Plan Section 7.08(f))***

If you receive a notification of suspension which you believe is in error, you may make a written request that the Trustees review the suspension. Your request must be made within 180 days after you are notified of the suspension.

You may ask the Trustees, in writing, to consider in advance whether employment you are planning will result in the suspension of your benefit. (See Plan Section 7.08(d)(4)).

The Plan makes all suspension of benefits determinations in accordance with Department of Labor Regulation § 2530.203-3 of the Code of Federal Regulations, Title 29.

- ***Exceptions to Disqualifying Employment***

Employment that might be considered work within the sprinkler, plumbing, or pipefitting industry that has been determined to not be Disqualifying Employment includes the following:

- Inspection work when employed directly by a city, county, or municipal government.
- Delegate to the United Association convention.
- Part-time employment on a Local Union executive board, finance, or other committee.
- Part-time employment with a JATC (e.g. instructor, tutor-proctor).
- Unpaid volunteer work for a church or charitable organization.
- Work for the International Training Fund.
- Work for the United Association.
- Work for a Building Trades that has never made contributions to the NASI Pension Fund.
- Work for a Sprinkler Industry Promotion Fund.

In addition to these exceptions, for the 2025, 2026, 2027, and 2028 Plan Years only, the Fund maintains a pilot program that allows Pensioners who are at least age 61 to work for a Contributing Employer in a non-bargaining unit capacity without triggering the suspension of benefit provisions of the Plan. In general, to avail yourself to the pilot program, you must: (a) have at least twenty (20) Pension Credits; (b) your work must be as an owner (with at least a fifty-one percent (51%) ownership interest in the Contributing Employer), estimator, salesperson, layout designer, or in-office manager; and (c) you and the Contributing Employer must meet all criteria provided in the Fund's Special Rules for Working After Retirement. If you would like more information regarding the pilot program, please contact the Fund Office.

- ***Recalculation of Benefit Payments Following Return to Covered Employment***

If you return to Covered Employment and earn at least one (1) year of Vesting Service, you will be entitled, upon your return to retirement, to a recalculation of your pension amount, based on your age when benefits resume. Any reduction for an Early Retirement made when you first retired will be adjusted for months during which your benefit was suspended, and/or for which you have already received benefits.

Additional Payment for Late Retirement (Section 7.05)

If you Retire after Normal Retirement Age (generally age 65), you will receive an additional pension payment for the months your pension was delayed and in which you did not work in Disqualifying Employment for which your benefit was suspended after Normal Retirement Age.

- ***Deemed Suspension (Plan Sections 7.08(b)(6) and 7.08(d)(6))***

If you continue to work in Covered Employment after Normal Retirement Age, your pension benefit will be deemed suspended for any month in which you work more than 40 hours in Covered Employment. The only exception to this rule applies if you've reached your Required Beginning Date.

Accordingly, if you continue to work in Covered Employment after Normal Retirement Age, you will continue to accrue credit in the same way you did before reaching Normal Retirement Age. As previously mentioned, when you Retire your benefit will be based on your service through the date of your retirement, plus an additional pension payment for the months your pension was delayed and in which you did not work in employment for which your benefit was suspended (or considered suspended) after Normal Retirement Age. No additional payment will be made, however, for months for which your benefit was suspended (or considered suspended) after Normal Retirement Age. This is because such service constitutes section 203(a)(3)(B) service, as defined in section 2530.203-3(c) of Title 29 of the Code of Federal Regulations. Consequently,

benefits may be permanently forfeited for periods of work past Normal Retirement Age to the extent that additional credits earned do not increase the eventual benefit paid to the actuarial equivalent of your benefit at Normal Retirement Age.

Mandatory Benefit Commencement (Plan Sections 7.17(c) and 7.05(d))

The Plan will begin your pension as of the first of the month after you reach the age of 70 ½, even if you do not apply. This rule applies whether or not you Retire. Nevertheless, you may notify the Plan to delay the commencement of your pension until April 1 of the Calendar Year following the Calendar Year in which you reach age 70 ½.

If you do not begin to receive your benefits by your Required Beginning Date, you may be subject to a substantial federal excise tax. Accordingly, please be sure the Fund Office has your most current address, and you file a timely application for benefits.

- ***Failure to File an Application for Benefits (Plan Section 7.17(a))***

The Fund Office encourages you to file an application for benefits before you reach age 70 ½ because your pension will commence no later than that time. If you wish to elect an optional benefit form, you must do so before your first check. If you fail to file an application, the Plan will assume you are married, and your pension will automatically commence as a 50% Joint-and-Survivor Annuity, calculated under the assumption you are 3 years older than your Qualified Spouse. You may prospectively change the amount of future benefit payments based on the actual ages of you and your Qualified Spouse if such ages are different from these assumptions. However, you cannot elect a different form of benefit at a later time, with the sole exception that your benefit may be changed to the applicable normal form for a single Participant if you prove that you did not have a Qualified Spouse when your benefit commenced.

- ***Work in Covered Employment After Your Required Beginning Date (Plan Section 7.08(i))***

We emphasize that continuing to work after 70½ is not prohibited, but you must start to receive your pension benefits by your Required Beginning Date, even if you don't Retire. You will continue to earn credit for additional service in Covered Employment, and your pension amount will be recalculated in accordance with the Plan document.

Tax Treatment of Your Pension and Eligible Rollover Distributions

- ***Pension Payments Are Taxable***

Benefits from the NASI Pension Fund ARE taxable. You will receive from the Fund Office each year a 1099-R form showing the benefits paid to you. If you are Totally and Permanently Disabled, however, a portion of your Disability Pension from the Plan may be excluded from taxable income, but this exclusion is reduced if family taxable income exceeds a certain dollar amount per year. You should seek professional or IRS advice on taxes if this might apply to you.

Plan distributions which are not eligible rollover distributions (described below) are subject to elective Federal tax withholding. Recipients of periodic distributions (monthly pension) may elect either to have their withholding according to the tax table for their stated dependent situation, to have their withholding according to the tax table for the "standard" dependent situation, to have a specified dollar amount withheld, or to have no withholding.

Recipients of non-periodic distributions (other than an eligible rollover distribution) will have tax withheld at a flat 10% unless they elect either to have a specified dollar amount greater than 10% withheld or to have no withholding.

- ***Eligible Rollover Distributions***

In general, the only payments from the Pension Plan that qualify as eligible rollover distributions are small lump-sum payments and lump-sum death benefits.

If you receive an eligible rollover distribution from the Pension Plan, you may elect to have all or any portion of that distribution directly rolled over to an eligible retirement plan instead of having the distribution paid directly to you.

If you choose a direct rollover of an eligible rollover distribution, no income tax will be withheld.

If you choose to have an eligible rollover distribution paid directly to you, the Pension Plan must withhold 20% of the payment and send it to the IRS to be credited against your taxes.

- *Tax Withholding on Eligible Rollover Distributions*

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

If you choose a DIRECT ROLLOVER: (1) Your payment will not be taxed in the current year, and no income tax will be withheld; (2) Your payment will be made directly to your IRA or, if you choose, to another plan that will accept your rollover; (3) Your payment will be made payable to the trustee of the eligible retirement plan and the trustees must identify that it is for your benefit as the named recipient making the election for the direct rollover; (4) Your payment may be sent directly to the trustee of the IRA or other retirement plan that will accept your rollover, or a check made payable to the trustee may be given to you for delivery to the trustee; and (5) Your payment will be taxed later when you take it out of the IRA or the other plan.

If you choose to have a Plan payment that is eligible for ROLLOVER PAID TO YOU: (1) You will receive only 80% of the payment because this Plan is required to withhold 20% of the payment and send it to the IRS as income tax withholding to be credited against your taxes; (2) Your payment will be taxed in the current year unless you roll it over. (Under limited circumstances, you may be able to use special tax rules that could reduce the tax you owe. However, if you receive the payment before age 59 ½, you also may have to pay an additional 10% tax unless you received your payment as a retirement benefit or after age 55 after you

have completely separated from service with employers that contribute to the Plan); (3) You can roll over the payment by paying it to your traditional IRA or to another eligible retirement plan that accepts your rollover within 60 days of receiving the payment. The amount rolled over will not be taxed until you take it out of the traditional IRA or employer plan; and (4) If you want to rollover 100% of the payment to a traditional IRA or an employer plan, **you must find other money to replace the 20% that was withheld**. If you roll over only the 80% that you received, you will be taxed on the 20% that was withheld and that was not rolled over.

- *Eligible Rollover Distributions from this Pension Fund*

Generally, you cannot roll over any distribution made under the following circumstances: (1) in a series of equal (or almost equal) periodic payments for your lifetime (or your life expectancy), your lifetime and your beneficiary's lifetime (or life expectancies), or a period of ten years or more; and (2) as a "required minimum payment" under the Internal Revenue Code.

The following Plan benefits and payments are NOT eligible rollover distributions: (1) Single Life Pension with 100-Payment Guarantee to Participants and Spouses or Beneficiaries (Plan Section 6.02); (2) 100% Joint-Life and Survivorship Option to Participants and Spouses or beneficiaries (Section 6.04); (3) 66 2/3% and 75% Joint-Life and Survivorship Options to Participants and Spouses (Plan Sections 6.05 and 6.06); (4) 50% Joint-and-Survivor Annuity to Participants and surviving Spouses (Plan Section 5.02); and (5) Pre-retirement Surviving Spouse Pension (Plan Section 5.03).

Selling, Assigning or Pledging Benefits (Section 7.13)

Benefits may not be sold, assigned, or pledged as security for a loan. Furthermore, benefits are not subject to attachment or execution for the payment of a debt under any judgment or decree of a court, except as provided in the Internal Revenue Code and applicable regulations. However, any benefits payable to a former spouse or other alternate payee, under a legally binding Qualified Domestic Relations Order, will be honored by the Fund.

- ***Authorized Deductions for the Welfare Fund, Metal Trades Welfare Fund, Union Dues, or Local Union Political Action Committees (Plan Section 7.05(g))***

Notwithstanding the foregoing, a Pensioner or Beneficiary who is entitled to make payments to the National Automatic Sprinkler Industry Welfare Fund or National Automatic Sprinkler Metal Trades Welfare Fund for coverage may authorize in writing a deduction from his or her monthly pension check of the amount required for medical coverage. An authorization form may be obtained by contacting the Fund Office.

A Pensioner or Beneficiary may also authorize in writing a deduction from his or her monthly pension check of the amount required for Union dues to a Participating Sprinkler Fitter Local Union and/or an amount to be contributed to the Political Action Committee (PAC) of his Local Union. Such authorizations are strictly voluntary and may be revoked at any time. Authorization forms may be obtained by contacting the Fund Office.

- ***Rights of a Former Spouse, Qualified Domestic Relations Orders (QDROs)***

If you become separated or divorced, your spouse, former spouse, child, or other dependent (known as an Alternate Payee) may be entitled to some or all of your pension if a Qualified

Domestic Relations Order (QDRO) has been issued by a court (Plan Section 7.13). A QDRO is a court order (which the Plan has determined satisfies the requirements of the Plan and of federal law) giving an Alternate Payee a right to a pension. Upon request, the Plan will provide materials and information concerning its procedures and requirements for a QDRO. These materials will be provided without charge.

An Alternate Payee under a QDRO whose benefits have not yet commenced may revoke or waive the benefits awarded in an order that (a) is a Domestic Relations Order as defined in ERISA; (b) identifies the Participant, the Alternate Payee, and the Plan to the satisfaction of the Trustees; and (c) completely revokes the benefits previously awarded to the Alternate Payee by a Qualified Domestic Relations Order. Such order will have only prospective effect. Such order must be submitted to the Fund Office and will be subject to the Plan's Procedures for Processing Qualified Domestic Relations Orders (Plan Section 3.21).

Maximum Benefits (Plan Section 7.18)

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

Recovery of Overpayments (Plan Section 7.02(b))

If the Fund pays benefits to any Participant, Spouse, former Spouse, Beneficiary, or any other third party ("Payee") in excess of the amount to which such person is entitled under the terms of the Plan, the Payee of such excess amount ("Overpayment") must notify the Fund upon receipt of the Overpayment, return the Overpayment upon demand by the Fund, and pay the Fund interest on the Overpayment at a rate determined by the Fund.

The Fund may recover all or part of an Overpayment (plus interest on the Overpayment at a rate determined by the Fund) by all legal and equitable means. The Fund's authority to recover such amounts as set forth in the preceding sentence includes, but is not limited to: (a) the right to recover such amounts through an actuarial or other reduction to benefits, if any, payable to the Payee of the Overpayment; and (b) the right to recover such amounts through an actuarial or other reduction to benefits, if any, payable to the survivors of the Payee of the Overpayment. Notwithstanding the foregoing, where benefits payable to a Pensioner in the form of a joint and survivor annuity are actuarially reduced to recover such amounts, the reduction shall not extend, and recoupment shall not apply, to benefits paid to the Pensioner's surviving Spouse, if any.

The Fund has a constructive trust, lien, and/or equitable lien by agreement on any Overpayment received by a Payee, and the Overpayment is deemed to be held in trust by the Payee for the benefit of the Fund until returned to the Fund. Consistent with the foregoing, by accepting payment from the Fund, a Payee of an Overpayment consents and agrees: (a) that a constructive trust, lien, and/or equitable lien by agreement in favor of the Fund exists with respect to the Overpayment; (b) to hold the Overpayment (plus interest on the Overpayment at a rate determined by the Fund) in trust for the benefit of the Fund until returned to the Fund upon demand by the Fund; and (c) if the Fund undertakes legal action to collect amounts payable to the Fund, to: (1) reimburse the Fund for all of its costs and expenses, including attorneys' fees, incurred in connection with such action; and (2) to waive any applicable statute of limitations defense available to the enforcement of any of the Fund's rights to recover Overpayments.

Chapter 9: Important Information About Your Pension Plan

Plan Administration

The National Automatic Sprinkler Industry Pension Fund is a collectively bargained, jointly trustee, labor management trust fund. The official name of the Plan of benefits maintain by the Fund is the National Automatic Sprinkler Industry Pension Plan. A ten-member Board of Trustees serves as the Plan Administrator, Plan Sponsor, and Named Fiduciary as those terms are defined under applicable federal law. The day-to-day operations of the Fund are carried out by the Fund Office. To contact the Fund Office, write or call:

National Automatic Sprinkler Industry Pension Fund
8000 Corporate Drive
Landover, Maryland 20785
(301) 577-1700 | (800) 638-2603

Executive Director Angela Curseen has been designated as the agent for the service of legal process. Service of legal process may be made upon a Plan Trustee or at the Fund Office.

Plan Funding

The Plan is a multiemployer defined benefit pension plan. Benefits are provided from the Plan's assets, which are accumulated under the provisions of the Agreement and Declaration of Trust that established the Plan. These assets are held in trust and are used for the purpose of providing benefits to Participants and Beneficiaries in accordance with the provisions of the Plan and for paying the reasonable administrative expenses of the Plan.

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

An Investment Manager, selected by the Board of Trustees in consultation with its Investment Consultant, is responsible for investing the assets in the Fund. The Fund will increase through contributions and gains on Fund investments. Of course, assets of the Fund will also decrease because of benefit payments and any investment losses. The Fund's assets are held in custody by Northern Trust.

Employer Identification Number

The Employer Identification Number (EIN) is 52-6054620.

Plan Number

The Plan Number assigned to the Pension Plan as required by the Internal Revenue Service is 001.

Plan Year

January 1 – December 31

Amendments, Interpretation, and Termination

Amendment. The Board of Trustees is authorized to amend the Plan at any time. However, the Board of Trustees is generally prohibited from amending the Plan in any way that reduces your vested benefits or vested benefits due to your Beneficiary except where such amendment is necessary to comply with the laws under the Internal Revenue Code or ERISA or is otherwise allowed by applicable law.

Interpretation. The Board of Trustees has the exclusive discretionary power to interpret the Plan; to determine all questions of eligibility; to make factual determinations; to establish policies with respect to the status of Participants in the Plan; to establish the standard of proof required in any case; and to determine the amount of and eligibility for any benefit under the Plan. The decision of the Board of Trustees shall be final and binding on all Participants, Beneficiaries, and any other person dealing with the Plan.

Termination. The Board of Trustees expects the Plan will continue indefinitely; however, the Trustees do have the right to terminate the Plan by written resolution. The Plan may be terminated if, in the opinion of the Trustees, the Trust Fund is not adequate to carry out the intent and purpose of the Plan as stated in its Trust Agreement or is not adequate to meet the payments due or which may become due under the Plan. The Plan may also be terminated if there are no individuals living who can qualify as Employees or Beneficiaries under the Plan. Finally, the Plan may be terminated if there are no longer any Collective Bargaining Agreements requiring contributions to the Trust Fund. The Plan is considered terminated under the law if it is amended to provide that no further benefits will be earned by Employees for employment with Employers. The Trustees have complete discretion to determine when and if the Plan should be terminated.

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

If the termination occurs because the Plan is amended to provide that no further benefits will be earned by Employees for employment with Employers, the Plan will continue to pay nonforfeitable benefits.

If the Plan terminates because there are no longer any Collective Bargaining Agreements requiring contributions to the Fund, the Plan may be amended to reduce benefits to the extent necessary to ensure that the Fund's assets are sufficient to pay nonforfeitable benefits when they are due. If the Plan has been amended and it does not have enough assets to pay nonforfeitable benefits, the Plan has the authority to suspend benefits. If benefits are suspended, the Plan will continue to pay the highest level of benefits which can be paid out of the Plan's available resources. If benefits are suspended, the Plan will not be required to make retroactive benefit payments for that portion of a benefit which was suspended.

Once the Plan assets and nonforfeitable benefits are valued, the Trustees, as a general rule, will use the available assets to purchase annuity contracts to provide for your benefits. However, if the Plan terminates because of an amendment, and the value of your nonforfeitable benefit attributable to Employer contributions is less than \$1,750.00, the Plan may pay you in cash if you consent to such payment.

If the Plan is terminated, the Trustees will: (a) pay the expenses of the Plan incurred up to the date of termination as well as the expenses in connection with the termination; (b) arrange for a final audit of the Plan; (c) give any notice and prepare and file any reports which may be required by law; and (d) apply the assets of the Fund in accordance with the law and the Plan including amendments adopted as part of the termination until the assets of the Plan are distributed.

No part of the assets or income of the Plan will be used for purposes other than for the exclusive benefit of Participants and Beneficiaries or the administrative expenses of the Fund. Under no circumstances will any portion of the Trust Fund revert or inure to the benefit of any contributing Employer, the National Fire Sprinkler Association, or the Unions either directly or indirectly.

Upon termination of the Plan, the Trustees will promptly notify the Unions, the Association, Employers, and all other interested parties. The Trustees will continue as Trustees for the purpose of winding up the affairs of the Plan.

Federal Insurance

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

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

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a participant's years of service multiplied by (1) 100% of the first \$11 of the monthly benefit accrual rate and (2) 75% of the next \$33 of the monthly benefit accrual rate. The PBGC's maximum guarantee limit is \$35.75 times a participant's years of service. For example, the maximum monthly guarantee for a Pensioner with 30 years of service would be \$1,072.50.

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

For more information about the PBGC and the benefits it guarantees, ask your Plan Administrator or contact the PBGC's Technical Assistance Division, 1200 K Street, N.W., Suite 930, Washington, D.C. 20005-4026 or call 202-326-4000 (not a toll-free number) or 800-400-7242 (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 or 800-400-7242. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.

Your ERISA Rights

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

However, in addition to what the Trustees, the Employers, and the Unions have done, to see that the Plan's benefits are fulfilled, every Participant in the Plan is entitled under the law (the Employee Retirement Income Security Act of 1974, as amended (ERISA)) to receive the following summary of rights and protections. 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 an updated SPD. The administrator may impose a reasonable charge for the copies.
- Receive a summary of the Fund'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 and, if so, what your benefits would be at Normal Retirement Age if you stopped working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

- ***Prudent Action 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 federal court. In such a case, the court may require the Plan

Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you 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, 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 Ave., N.W., Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

All Decisions of the Board of Trustees are Final and Binding

The Board of Trustees has the exclusive discretionary authority to make all interpretations of the Pension Plan as necessary to carry out the intent and purpose of the Pension Plan and provide for its effective administration. In all actions regarding determinations concerning benefit eligibility, the Trustees shall be the sole judges of:

- The standard of proof required in any case;
- The interpretation and application of the Pension Plan;
- The amount or entitlement to a pension benefit;
- The crediting of service.

The decisions of the Board of Trustees with respect to any of the foregoing shall be final and binding on all parties, including but not limited to a claimant and any person claiming a benefit on behalf of the claimant. Finally, you must furnish to the Trustees and the Administrator any information or proof requested by the Trustees or the Administrator which is explicitly required by the Plan or is reasonably required to administer the Plan in accordance with its terms. Any failure to comply with a request for information or proof promptly and in good faith is sufficient grounds to withhold payment of benefits until such proof or information is furnished.