

**SIGN, PICTORIAL AND DISPLAY INDUSTRY
PENSION PLAN**

**SUMMARY PLAN DESCRIPTION
AND
FORMAL PLAN TEXT**

AS AMENDED THROUGH MAY 1, 2006

SIGN, PICTORIAL AND DISPLAY INDUSTRY PENSION PLAN

QUICK SUMMARY

The following summary of the Pension Plan is provided for your convenience. The Pension Committee requests that you read the Summary Plan Description and Formal Plan Text in this booklet for a more complete explanation of your pension rights under the Plan.

1. Vesting Credits: At least 500 hours of covered employment in a Plan Year is required for 1 Year of Vesting Credit. If you work fewer than 500 covered hours in a Plan Year, you do not receive Vesting Credit for that year.
2. Benefit Credits (for covered employment in Plan Years on or after May 1, 2003): 2% of the aggregate contributions made on behalf of the Participant during that Plan Year.
3. Vesting of Benefits: For Active Participants with at least 500 hours of covered employment in the Plan Year ending April 30, 1999 and at least one hour of covered employment in the Plan Year ending April 30, 2000, or with at least 500 hours in any single Plan Year after April 30, 1999: Your benefits are vested when you have five Years of Vesting Credit.
4. Breaks in Service: *Temporary*: any Plan Year in which a non-vested participant fails to perform 500 hours of covered employment. *Permanent*: a series of consecutive one-year breaks in service equal to the greater of five years, or the number of years of Vesting Credit accrued before the break began. However, there are exemptions for disability, pregnancy or caring for a newborn or newly adopted child, or qualifying military service.
5. Eligibility for benefits: All types of retirement require termination of all employment in the industry in which you earned benefits under the Plan. Benefits are payable under the following conditions:
 - a. Normal Retirement: age 65
 - b. Early Retirement: age 55 and vested.
 - c. Disability Retirement: Permanently and totally disabled from all gainful employment ("Social Security disabled"); five Years of Credited Service; 500 hours of covered employment in one of the two Plan Years preceding the Plan Year your disability began; and at least age 47 when your disability began.

Early Retirement benefits are actuarially reduced if you are younger than age 62 at retirement and do not have 30 Years of Credited Service. If you have 30 or more Years of Credited Service, your retirement income will not be reduced. Disability Retirement benefits are unreduced.

6. Forms of benefit:
- a. Normal Form: Married participants: 50% Joint and Survivor Annuity; Non-married participants: Single Life Annuity.
 - b. Optional Forms: 100% Contingent Annuitant Benefit; Fixed Amount or Fixed Percentage Contingent Annuitant Benefit; and Social Security Adjustment Option (for early retirees).
7. Pre-Retirement Death Benefits for Vested Participants Only:
- 1) actuarially reduced monthly benefits for the life of the participant's surviving spouse, available after that participant would have attained age 55; or
 - 2) a lump sum benefit for the qualified beneficiary of a participant who accrued at least 10 years of credited service and worked at least 500 hours in one of the two plan years preceding death.

SIGNIFICANT NEW FEATURES OF THE PLAN

Since the Plan was last restated in 1999, the following significant changes have been adopted by the Board of Trustees:

- 1. Unreduced Early Retirement was approved for participants who retire on or after age 55 and have accrued 30 or more years of Credited Service. See Summary Plan Description Question 13 and Plan Section 7.2(c).
- 2. A Pre-Retirement Lump Sum Benefit was approved for the qualified beneficiaries of qualified participants who die before retiring, when the Pre-Retirement Survivor Annuity will not be paid. See Summary Plan Description Question 18 and Plan Section 11.2.

IMPORTANT NOTICE

Only Allied Administrators is authorized to provide information about the Plan. Any statements by any other individual, whether a trustee, union officer, employer or representative of any of the above, are unauthorized and may not be relied upon by any person.

If you request a formal opinion concerning your rights under the Plan from Allied Administrators, and you disagree with the opinion you receive, you may request an appeal to the Board of Trustees, whose opinion is final.

**SIGN, PICTORIAL AND DISPLAY INDUSTRY
PENSION PLAN**

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SIGN, PICTORIAL AND DISPLAY INDUSTRY PENSION PLAN

PART I

QUESTIONS AND ANSWERS

1. What is the purpose of the Plan?

The purpose of the Plan is to assist you in attaining financial security for your retirement. It is the hope of the Union and the contributing employers that your regular monthly benefits from the Plan, together with your Social Security Benefits and your own savings, will enable you to look forward to your retirement years with confidence.

2. What does this booklet cover?

This booklet has been prepared to provide you with information about the Sign, Pictorial and Display Industry Pension Plan, as in effect on May 1, 2006. This booklet and the Formal Plan Text replace the May 1, 1999 Plan and Summary Plan Description. Unless expressly stated, new or amended rules do not apply either to former employees who have no covered employment after the adoption of the amended rules, or to the credited service of current or former employees who suffered permanent breaks in service under the rules in effect when their breaks in service began. They also don't apply to retirements of employees who submitted applications for benefits under prior rules. If you have any questions about which Plan rules apply to your retirement benefits, or about any other aspect of the Plan, please contact Allied Administrators, the Administration Office of the Plan, at the numbers listed below.

The booklet has three sections: Questions and Answers, Formal Plan Text, and Supplementary Information. The Questions and Answers section is a summary of the current Formal Plan Text, with some information about certain former provisions of the Plan. That section is written in non-technical language which, it is hoped, will help you understand the key features of the Plan. The Questions and Answers section and the Quick Summary above are intended only as summaries. If there is any apparent conflict between either summary and the Formal Plan Text, the Formal Plan Text is controlling. The Formal Plan Text is followed by Supplementary Information about the Plan, its administration, and your legal rights related to the Plan.

3. Who is eligible to participate in the Plan?

All employees who work in covered employment under a collective bargaining agreement of a participating Local Union, in a position which calls for contributions to the Plan, are eligible to be participants. The sponsoring Local Union

is the Sign, Pictorial, and Display Union Local 510. An employee becomes an Active Participant when he or she has worked 500 hours of covered employment in a Plan Year. (A Plan Year starts on May 1 of each calendar year and ends on April 30 of the next calendar year.) Employees working under Local 510 Installer agreements on May 1, 1995 became Participants on that date. An employee remains an Active Participant so long as he or she works 500 hours in each Plan Year. If you are no longer an Active Participant, you will still have a right to a pension if your Plan benefits are "vested." (See Question 8.)

4. What type of benefits are paid by the Plan?

The Plan pays benefits on Normal, Early, or Disability Retirement to employees who have met the eligibility requirements for those types of retirement, which are summarized in Question 11. Generally speaking, retirement benefits are paid in the form of monthly benefits for your life alone, or for your life followed by reduced benefits to your surviving spouse. See Question 14 for the forms of benefit available, and Question 16 for the rules for electing a form of benefit. The Plan also pays pre-retirement death benefits (see Question 18).

5. How do I accrue the right to benefits under the Plan?

You accrue Credited Service by performing covered employment for a contributing employer. All of the funds which pay for benefits from the Plan come from employer contributions, or from the investment income on those contributions. You may not make any contributions on your own behalf.

The amount of benefits you accrue depends primarily on how many hours of covered employment you performed, and the amount of contributions made on your behalf. You are granted Credited Service for each Plan Year in which you have performed 500 or more hours of covered employment for which contributions are required to be made to the Plan (including the Prior Plan in effect before May 1, 1976). Credited Service for contributory employment is called Future Service. A full year of Future Service credit for benefit purposes requires 1600 hours of covered employment in a Plan Year. Before the Plan Year beginning May 1, 1990, there was a maximum of 1.0 Benefit Credit per year. After the Plan Year beginning May 1, 1990, your benefit is determined as a percentage of the contributions made on your behalf, with no maximum. See Questions 12 and 13 for an explanation of how to calculate the amount of your benefits.

6. Will I receive any pension benefits for my employment in the Sign, Pictorial and Display Industry before my local union joined the Plan?

Yes, if you were working in covered employment when your bargaining unit became covered under the Plan. The Board of Trustees has granted "Past Service Credits" to all groups which have joined the Plan to date. "Past Service Credits" means credits granted for employment under a collective bargaining agreement

of a sponsoring Local Union, before contributions were required to be made to the Plan by signatory employers of that Local Union, or in some cases, by particular groups of signatory employers. Once you have become a Plan participant, you are granted Past Service Credit if you were working in the Industry when the Plan became "effective" for you (i.e., if you had a seniority date which preceded your Plan effective date) and if your Past Service is continuous with recognized Future Service. Except for Local 510 Installers, if you are a member of a group which was admitted to the Plan before May 1, 1999, and you qualify for Past Service Credits, you will receive up to 15 Years of Past Service Credit, depending on by how many years your seniority date preceded your Plan effective date. See Section 3 of the Plan for a list of effective dates. Local 510 Installers could receive up to six years of Past Service Credit. New groups which join the Plan after May 1, 1999, will have Past Service Credit rules considered on a case-by-case basis.

7. Can I lose my credited service if I stop working in covered employment?

That depends on whether your benefits are vested. Once your benefits under the Plan have vested, your Credited Service cannot be forfeited, and you will receive a pension when you satisfy the eligibility rules for normal, early, or disability retirement and apply for your pension. However, if you stop working in covered employment before your benefits become vested, and you have a permanent break in service, you will lose all Credited Service which you accrued before the break in service. Credited Service which has been lost due to a permanent break in service is not counted for any purpose under the Plan.

In addition, the Pension Committee has reserved the right to cancel any or all Installer Past Service Credit if there is a significant withdrawal of Installer employers before the Installer Past Service Credit has been funded, and if the Past Service Credit was granted for employment for an employer who withdraws from the Plan. If this occurs, and some or all of your Past Service Credit is canceled, it will not be counted for any purpose under the Plan.

8. How does my credited service become vested?

A Year of Credited Service for Vesting requires 500 hours of covered employment in a Plan Year. Effective May 1, 1999, your interest in the Plan will become vested if you have accrued five Years of Credited Service for Vesting, and you have performed qualifying service to be eligible for five-year vesting. Qualifying service to be eligible for five-year vesting means either: a) at least 500 hours in the Plan Year Ending April 30, 1999, and at least one hour in the Plan Year Ending April 30, 2000; or b) at least 500 hours in the Plan Year Ending April 30, 2000, or any Plan Year thereafter. Please note that if you perform qualifying service to be eligible for five-year vesting, and if you have already lost Credited Service due to a permanent break in service, those lost credits are not counted for any purpose, including five-year vesting. See Question 24 for vesting rules applicable to

Participants who have not performed qualifying service to be eligible for five-year vesting.

9. Does employment in other areas count toward vesting?

Three types of employment other than contributory service may be counted as Future Service for purposes of vesting:

- 1) employment covered under the "Reciprocity Agreement with the Management-Local 831 Pension Plan;"
- 2) employment covered under the "Reciprocal Agreement for Joint Industry Pension Funds of all District Councils and Local Unions Affiliated with the International Brotherhood of Painters and Allied Trades;" and
- 3) "contiguous service" for a contributing employer, which means employment in a non-covered position (such as management), which immediately precedes or follows covered employment for the same employer without a quit, retirement, discharge, or layoff, between the covered and non-covered employment.

These types of employment do not count for purposes of determining the amount of your pension, but they may help you prevent a break in service. If you believe that you have performed any of these types of employment, please advise the Plan Administration Office, so that your records will be as complete as possible.

10. If my Credited Service is not vested, when could I lose it?

Breaks in Service

You have a one-year break in service in any Plan Year in which you do not perform 500 hours of covered employment, unless you qualify for a grace period in that Plan Year. To avoid losing your Credited Service, you must become an Active Participant again before your break in service becomes permanent, by performing 500 hours of covered employment in a Plan Year. For employees who performed covered employment on or after January 1, 1987, a break in service which started on or after that date becomes permanent when you have had a consecutive period of one-year breaks in service which equals the greater of the following:

- 1) the number of years of Credited Service which you accrued before the first year of your consecutive breaks in service, or
- 2) five years.

Once you have had a permanent break in service, the Credited Service which you accrued before the break in service is lost, even if you return to covered

employment later. This rule applies to all permanent breaks in service, including those which occurred under the Prior Plan, and those which occurred under earlier rules of this Plan.

Please note that if you are a Local 510 Installer who qualifies for Past Service Credit, that credit will be counted toward vesting. However, if you had a break in service which became permanent before May 1, 1995, your credited service accrued before the permanent break in service remains lost, and your Installer Past Service Credit may not be used to revive those lost credits. Furthermore, Installer Past Service Credit will not be counted for vesting if it is revoked because of a withdrawal of Installer employers from the Plan. (See Question 6.)

Grace Periods

You will not suffer a break in service in any Plan Year in which you are granted a grace period on the grounds of pregnancy, qualifying disability, or qualifying military service in the Armed Forces of the United States. (Qualifying military service is also counted for vesting and benefit purposes, as provided by federal law.) To benefit from a grace period, you must inform the Plan in a timely manner. If you believe that you may qualify for a grace period, contact the Plan Administration Office.

* * * * *

Examples of Application of Vesting, Break in Service, and Grace Period Rules

1. Tom first became a participant in the Plan on May 1, 1978. He worked 500 hours in each of the Plan Years from 1978 through 1984, and accrued 7 Years of Credited Service. He was totally disabled for the entire Plan Year 1985, and worked no hours at all that Plan Year. In Plan Years 1986 through 1991, he was not disabled, but he did not work in the Sign, Pictorial and Display Industry. In Plan Year 1992, he returned to the Industry and performed 500 hours of covered employment.

In 1984, when Tom left the Industry, he was not vested because he did not have the 10 Years of Credited Service which were required for vesting at that time. Plan Year 1985 was not a break in service because Tom qualified for a grace period. Starting with Plan Year 1986, Tom then had a break in service of 6 years. Since Tom's break in service of 6 years was less than his Credited Service of 7 Years, his break in service was not permanent when Plan Year 1992 started. In Plan Year 1992, Tom became an Active Participant again by performing 500 hours of covered employment, so he became eligible for vesting under the 7-year rule then in effect, and his interest in the Plan became vested.

2. Let's say instead that Tom had 5 Years of Credited Service, his break in service started with the Plan Year 1995, and he returned to perform 500 hours of covered employment in the Plan Year 1999, and 10 hours of covered employment in Plan Year 2000. Tom was not vested when his break in service began, because the Plan then required seven Years of Credited Service to vest. He did not become vested when five-year vesting was first adopted, because he had not performed qualifying service to be eligible for five-year vesting. However, he became vested after he performed 500 hours of covered employment in the Plan Year 1999, and at least 1 hour of covered employment in Plan Year 2000. He returned for 500 hours of covered employment within a period of Plan Years equal to the number of his Years of Credited Service, so his break in service did not become permanent. Since his new covered employment was after five-year vesting became effective (May 1, 1999), he became eligible for five-year vesting, and his Plan benefits became vested.

* * * * *

11. When can I receive a pension?

The Plan provides for Normal, Early, and Disability Retirements, under the following rules:

1) Normal Retirement: The Plan's normal retirement date is the attainment of age 65. Your benefits will commence no later than 60 days after the end of the Plan Year in which you attain age 65, stop working in covered employment for at least 60 days, and submit an application.

If you have elected to postpone retirement until after you attain age 65, you may apply for your pension whenever you stop working in covered employment for at least 60 days. If you own 5% or more of a contributing employer, benefits will commence on April 1 of the calendar year following the year you attain age 70½, even if you continue to work in covered employment.

2) Early Retirement: Any participant who is vested may apply for Early Retirement after the attainment of age 55. Early retirees will be asked to establish, by certification at the time of retirement, a clear, six-month separation-from-service period of no covered employment. Effective May 1, 2000, early retirement benefits are unreduced (equal to your Normal Retirement benefit) if you have 30 or more Years of Credited Service. If you have less than 30 Years of Credited Service, your benefit will be reduced based on your age, if you are between age 55 and 62. If you are age 62 or older and vested, your benefit will not be reduced. If you qualify for Early Retirement, your benefits will commence on the first day of the month following the month in which you apply for benefits. See Question 13 for a discussion of how and when Early Retirement reduction factors apply.

3) Disability Retirement: Effective for Disability Retirements after October 5, 1998, a participant may retire on unreduced Disability Retirement if he or she satisfies all of the following tests:

- a. He or she has accrued 5 years of Credited Service, and
- b. He or she is totally and permanently disabled ("Social Security disabled"), and
- c. He or she was at least 47 years of age when he or she became disabled, and
- d. He or she had 500 or more hours of covered employment in one of the two Plan Years preceding the Plan Year in which he or she became disabled.

Benefits under Disability Retirement commence when you apply for this type of retirement, and submit satisfactory evidence of a qualifying disability. However, benefits are payable back to the disability date specified in your Social Security Disability award. Please note that you do not elect a form of benefit under Disability Retirement until you attain age 65. If you die before you attain age 65, your spouse may be eligible for the Plan's pre-retirement death benefit.

12. How are my monthly benefits calculated?

Your Plan benefits are determined by adding your Past Service Retirement Income and your Future Service Retirement Income (subject to the limitations of the Internal Revenue Code). This total is your Normal Retirement Income, which is the monthly benefit you will receive if you retire on Normal Retirement or unreduced Early Retirement, and elect the Single Life Pension. If you receive a Joint Pension or other form of benefit, your Retirement Income may be subject to actuarial reduction (see Question 14).

1) Past Service Retirement Income: Except for Local 510 Installers, if you were a member of a group whose effective date was before July 1, 1995, and you were an active employee on your group's effective date, you will receive \$3 a month for each year of Past Service credit after your latest seniority date up to your effective date, up to 15 years (\$45). A listing of effective dates appears in Section 3 of the Plan. Local 510 Installers who qualify for Past Service Credit will receive \$20 per month for each year of Past Service Credit, up to 6 years (\$120).

2) Future Service Retirement Income: Future service retirement income is calculated separately for three periods:

- a) Prior to May 1, 1990. For the period before May 1, 1990, your monthly benefit is calculated by multiplying your number of years of benefit credit times the monthly benefit allocated to your "Contribution Rate." A full year of benefit credit is granted for a Plan Year in which you performed 1600 hours of covered employment. Partial credit is granted proportionally for any Plan

Year in which you worked 500 or more hours, but less than 1600 hours. Your "Contribution Rate" is the higher of the average rate at which your employer(s) contributed for the three Plan Years ending April 30, 1990, or the rate at which your employer(s) contributed for the Plan Year ending April 30, 1990. The monthly benefit amount is based on the following table:

Contribution Rate <u>Per Hour</u>	Monthly Pension Benefit Based on 1600 <u>Covered Hours</u>
25 cents or less	\$ 9.00
30 cents	\$10.25
35 cents	\$11.50
40 cents	\$12.75
45 cents	\$14.00
50 cents	\$15.25
55 cents	\$16.50
60 cents	\$17.75
65 cents	\$19.00
70 cents	\$20.25
75 cents	\$21.50
80 cents	\$22.75
85 cents	\$24.00
90 cents	\$25.25
95 cents	\$26.50
\$1.00	\$27.75
\$1.05	\$29.00
\$1.10	\$30.25
\$1.15	\$31.50
\$1.20	\$32.75
\$1.25	\$34.00
\$1.30	\$35.25
\$1.35	\$36.50
\$1.40	\$37.75
\$1.45	\$39.00
\$1.50	\$40.25

And for each five cents an hour (\$0.05) that your "contribution rate" is over \$1.50, the 1600-hour monthly benefit of \$40.25 shall be increased one dollar and twenty-five cents (\$1.25).

b) May 1, 1990 through April 30, 1993. For each of the Plan Years starting on May 1, 1990, May 1, 1991 and May 1, 1992 in which you have performed 500 or more hours of covered employment, you will receive a monthly benefit for that Plan Year equal to 3% of the aggregate contributions made on your behalf for that Plan Year.

c) May 1, 1993 through April 30, 2003. For each of the Plan Years starting on May 1, 1993 through May 1, 2002, in which you have performed 500 or more hours of covered employment, you will receive a monthly benefit for that Plan Year equal to 2.5% of the aggregate contributions made on your behalf for that Plan Year.

d) May 1, 2003 to the present. For each Plan Year commencing on or after May 1, 2003 in which you performed 500 or more hours of covered employment, you will receive a monthly benefit for that Plan Year equal to 2.0% of the aggregate contributions made on your behalf for that Plan Year.

Your pension statement from the Plan Administration Office will provide you with information on your vesting status and your benefit accruals under the Plan.

* * * * *

Examples of How to Calculate Normal Retirement Income

Louis began work in covered employment under the Plan on May 1, 1978. This date is after his group's effective date, so he has no Past Service. He worked 1750-hour years in the Sign, Pictorial and Display Industry every year until his retirement on April 30, 2004. Pension contributions on his behalf for each hour worked for the Plan Years ended in 1991-1993 was \$0.90, 1994-1998 was \$1.50, 1999-2003 was \$2.20, and 2004 was \$3.00.

His monthly benefit is calculated as follows:

<u>Past Service Credit</u>		0 years x \$3 = \$0.00
<u>Future Service Credit</u>		
pre-5/1/90	12 years x \$25.25	= \$303.00
5/1/90 - 4/30/93	3 yrs x (1750 hours x \$.90) x 3%	= \$141.75
5/1/93 - 4/30/98	5 yrs x (1750 hours x \$1.50) x 2.5%	= \$328.13
5/1/98 - 4/30/03	5 yrs x (1750 hours x \$2.20) x 2.5%	= \$481.25
5/1/03 - 4/30/04	1 yr x (1750 hours x \$3.00) x 2.0%	= \$105.00
	Total Normal Retirement Monthly Benefit:	\$1,359.13

* * * * *

George began work as an Installer on May 1, 1987, and worked 1,000 hours each year until his retirement on April 30, 2005. Pension contributions on his behalf for each hour worked for the Plan Years ended 1996-1998 was \$2.00, 1999-2003 was \$3.55, and 2004-2005 was \$4.15. The Installers rejoined the Pension Plan on May 1, 1995, and were given past service credits (maximum of 6 years) for the period May 1, 1985 to April 30, 1995 at \$20.00 per year.

His monthly benefit is calculated as follows:

<u>Past Service Credit</u>	6 years (maximum) x \$20.00	= \$120.00
<u>Future Service Credit</u>		
5/1/95 - 4/30/98	3 yrs x (1000 hours x \$2.00) x 2.5%	= \$150.00
5/1/98 - 4/30/03	5 yrs x (1000 hours x \$3.55) x 2.5%	= \$443.75
5/1/03 - 4/30/05	2 yrs x (1000 hours x \$4.15) x 2.0%	= \$166.00
	Total Normal Retirement Monthly Benefit:	\$879.75

* * * * *

13. How would my benefits be reduced if I take Early Retirement?

Early Retirement benefits are reduced if you have less than 30 Years of Credited Service and you are between age 55 and 62. The reduction for participants with less than 30 Years of Credited Service depends on your age at retirement (see Appendix I for details). If you have 30 or more Years of Credited Service at your retirement, your benefit is not reduced.

* * * * *

Examples of How to Calculate Reduced Early Retirement Income

In the example above, Louis had 26 Years of Credited Service. His Normal Retirement benefit would be \$1,359.13 per month. If he is exactly age 60 at retirement, his benefit would be \$1,359.13 x 81.14% = \$1,102.80. If he is exactly age 57 at retirement, his monthly benefit would be \$1,359.13 x 60.24% = \$818.74. If he is age 62 or older, his monthly benefit would be \$1,359.13, because there is no reduction after age 62. (See Appendix I for the applicable early retirement reductions.)

* * * * *

14. What forms of benefit are available under the Plan?

All pensions from the Plan are paid in the form of a monthly benefit. However, the amount of your monthly benefit, and the amount of the monthly benefit paid to a beneficiary after your death, depend on the form of benefit you elect. The Plan provides for a large variety of forms of benefit, which are listed below. In reading this list, please keep in mind that, subject to the rules explained in Question 16, you may designate only your spouse at retirement or one of your children to be your beneficiary. Please also note that this is your only opportunity to designate a beneficiary. The designation of your spouse at retirement is not affected by any marital dissolution action after your retirement; and if the person you designate at retirement predeceases you, you may not designate another beneficiary.

Here is a complete list of the forms of benefit which are payable under the Plan:

1) Single Life Pension: Monthly benefits equal to your unreduced Normal Retirement Income for your life alone, with no benefits paid to your surviving spouse or beneficiary.

2) Joint Pension:

a) For benefits accrued prior to May 1, 1990, monthly benefits equal to your Normal Retirement Income for your life, followed by monthly benefits equal to 50% of your Normal Retirement Income for the life of your surviving spouse; plus

b) For benefits accrued on or after May 1, 1990, monthly benefits for your life actuarially reduced from your Normal Retirement Income to reflect your age and your spouse's age, followed by monthly benefits equal to half of the benefit you were receiving. This form of benefit is also called a 50% Joint and Survivor Annuity.

For purposes of this rule, Past Service Credits of the Local 510 Installer group are deemed to be accrued on the date that the Plan became effective for the group, May 1, 1995.

3) 100% Contingent Annuitant Benefit: Monthly benefits actuarially reduced from your Normal Retirement Income to reflect your age and your beneficiary's age, payable in the same amount through your life or the life of your beneficiary, whoever lives longer.

4) Fixed Percentage Annuitant Benefit: Monthly benefits actuarially reduced from your Normal Retirement Income to reflect your age, your beneficiary's age and the amount of the survivor's benefit to be paid, payable while both you and your

beneficiary are alive, followed by monthly benefits paid either to you after your beneficiary's death, or to your beneficiary after your death, equal to any percentage you choose between 50% and 99% of the benefit you were receiving while you were both alive.

5) Fixed Amount Annuitant Benefit: Monthly benefits actuarially reduced from your Normal Retirement Income to reflect your age, your beneficiary's age, and the amount of the survivor's benefit to be paid, payable while both you and your beneficiary are alive, followed by monthly benefits paid either to you after your beneficiary's death, or to your beneficiary after your death, equal to any fixed amount which you select which is less than the benefit you were receiving while you were both alive.

6) Social Security Adjustment Option: A special form of Single Life Pension for early retirees, payable for your life alone, in which your monthly benefit is increased before you are eligible for Social Security benefits, and decreased after, so that, insofar as it is practical to do so, you receive a level combined income after retirement.

The amount of actuarial reduction which applies to your pension depends on the form of benefit you elect and on your age, and your spouse's or contingent annuitant's age, at your pension effective date. The reduction factors for the Joint Pension are listed in Appendix II of the Formal Plan Text, and the reduction factors for the 100% Contingent Annuitant appear in Appendix III. A Guide to Actuarial Reduction Tables follows those Appendices, with examples of how to apply the tables.

15. Can I get a lump sum distribution from the Plan?

No! The Plan pays benefits only at retirement, and the only forms of benefit from which you may elect are the ones listed above. The Plan provides for a lump sum payment only for participants for whom the total value of the pension is less than \$5,000, and then only at the discretion of the Trustees.

16. How do I choose a form of benefit?

When you are ready to retire, you will be provided information about how much you would receive under the various forms of benefit available under the Plan. You must then complete a Plan application form, on which you choose a form of benefit and designate a beneficiary. Your spouse's written consent to your election and designation may be required, as explained below. Your signature and your spouse's signature must be notarized or witnessed by a Plan representative. If you do not provide all the information required on the Plan's application form, processing of your application will be delayed until it is complete.

The forms of benefit from which you may personally elect, and the requirements for that election, depend on your marital status at retirement:

- 1) If you are single at retirement, you may elect any form of benefit available under the Plan (other than the Joint Pension), and if appropriate for the form you elect, designate any one of your children as your beneficiary.
- 2) If you have been married for twelve months or more at retirement, you will automatically receive benefits in the form of the Joint Pension, unless you elect another form of benefit and your spouse consents in writing to that election. Additionally, if you elect another form of benefit with your spouse's consent and designate a person other than your spouse as beneficiary, your spouse must consent in writing to that designation.
- 3) If you have been married for fewer than twelve months at retirement, you may elect any form of benefit available under the Plan, and designate either your spouse or one of your children as beneficiary, but the following special rules apply:
 - a) An election of the Joint Pension or any other form of benefit with a survivor benefit for your spouse is not effective unless you remain alive and married through the twelfth month of your marriage.
 - b) An election of a form of benefit other than the Joint Pension is automatically revoked in favor of the Joint Pension if you remain alive and married through the twelfth month of your marriage, unless your spouse consented to the election of the other form of benefit and, if you designated a person other than your spouse as beneficiary, to the designation of that other person as beneficiary.

17. Once I retire, can my benefits be suspended?

YES! If you return to employment in the same industry, in the same trade or craft, in work of the type covered by a collective bargaining agreement of a Union, whether working in union or non-union employment, and in the same geographical area covered under the contract (California and Arizona), as was the case immediately before you retired, your benefits will be suspended as follows:

At or After Age 65: Your benefits will be suspended one month for each month in which you work forty (40) hours or more in suspendible employment.

Before Age 65: Before you attain age 65, your benefits will be suspended if you work forty (40) hours or more in suspendible employment, and

(1) the first time that your benefits are suspended before Normal Retirement Age, your benefits shall recommence on the first day of the month following the earlier of:

- a) one year from the last month of your suspendible employment; or
- b) your re-retirement and attainment of Normal Retirement Age.

(2) the second time that your benefits are suspended before Normal Retirement Age, your benefits shall recommence only on the first day of the month following the later of your re-retirement and your attainment of Normal Retirement Age.

If your benefits are suspended before age 65, then when your benefits recommence, your monthly benefit shall be actuarially adjusted to an amount which is the actuarial equivalent of your Normal Retirement Benefit commencing at Normal Retirement Age, less the actuarial value of any benefits already received.

18. What benefits are paid if I die before retirement?

If you die before retirement, and your Credited Service was vested, your surviving spouse will receive a pension for life equal to the survivor benefit of the Joint Pension. This benefit is available immediately if you had already attained age 55, or if not, when you would have attained age 55. This benefit is also paid to the surviving spouse of any Disability Retiree who has not attained age 65 at the time of his death.

If this Pre-Retirement Survivor Annuity will not be paid, then a lump sum benefit shall be payable to the qualified beneficiary of a qualified participant. The amount of this benefit shall be determined by the number of your full Years of Credited Service at your death (including Past Service):

- \$ 5,000, for at least 10 Years of Credited Service, plus
- \$ 1,000 for each additional Year, up to a maximum benefit of
- \$25,000 for 30 or more Years.

You are qualified for the lump sum death benefit if you had at least 10 Years of Credited Service and had worked at least 500 Covered Hours of Employment in one of the two Plan Years preceding your death. Your surviving spouse may waive the Pre-Retirement Survivor Annuity in favor of the lump sum benefit.

19. Can I borrow against my pension?

No! Your benefits under the Plan may not be alienated or assigned for any purpose. That rule means you may not use your pension as security for a loan from a third party, and you may not receive a loan from the Plan.

20. What happens to my pension if I get divorced?

If you were married for any of the time that you were working in covered employment, and you then get divorced, your benefits from the Plan may be the subject of a Qualified Domestic Relations Order ("QDRO"), dividing your pension between you and your former spouse. The Plan will comply with any QDRO with which it has been served, and which does not call for the payment of benefits which would not otherwise be payable under the Plan. The Plan's Legal Counsel reviews all Domestic Relations Orders affecting the Plan to confirm that they are qualified under federal law, but if you are getting divorced, you and your spouse are each responsible for protecting your own interests.

21. How do I apply for retirement or get further information about the Plan?

Applications for retirement are available from the Plan Administration Office, at the following address:

Sign, Pictorial and Display Pension Plan
Allied Administrators
633 Battery Street, 2nd floor
San Francisco, CA 94111
(mail: P.O. Box 2500
San Francisco, CA 94126)

You are entitled to receive copies of certain Plan documents if you submit a written request, at a nominal copying charge in some cases. These rights are discussed in detail in the Supplementary Information in the back of this booklet. If you need to contact a Plan representative personally, the phone number of the Plan Administration Office is (415) 986-6276.

22. What are my appeal rights if I disagree with a decision of the Plan Administration Office?

If you disagree with an initial determination of the Plan Administration Office about the status of your benefit under the Plan, or any adverse action of the Administration Office, you may appeal that determination or action to the Pension Committee, by giving written notice of appeal to the Administration Office. This appeal right is available to any person claiming benefits under the Plan, whether as a participant, beneficiary, surviving spouse or alternate payee. Any eligible person who files a written appeal will receive information about appeals procedures at that time. If you do not appeal an adverse determination or action of the Plan Administration Office within 60 days of notification of the determination or the action, that determination or action is final. The action of the Pension Committee on any appeal is final and binding on all affected parties.

23. What is the future of the Plan?

It is the intention of the Pension Committee, the Union, and the contributing employers that the Plan continue in operation indefinitely. To assure that will happen, the Pension Committee has engaged the services of professional investment managers, Loomis, Sayles & Co., Alliance Bernstein, Amalgamated Bank of New York, and Janus Capital Management, to invest the assets of the Plan in a diverse portfolio of stocks and bonds. However, the Pension Committee has reserved the right to amend or terminate the Plan, and the collective bargaining parties have the power to take actions which would affect the continuity of the Plan, although no amendment of the Plan may reduce your already accrued benefits. In the event that the Plan is partially or fully terminated, the rights of all affected employees would become vested to the extent funded, and the Plan would continue to distribute benefits as long as it was able to do so. If at any time the Plan becomes unable to pay accrued benefits, benefits would be paid by the Pension Benefit Guarantee Corporation (subject to certain limitations described in the Supplementary Information section).

24. What were the provisions of the Plan before the effective date of this booklet?

The Plan has been amended or restated numerous times since its adoption in 1976, just as the Prior Plan was amended numerous times between the time it became effective in 1957 and the time it was superseded when this Plan was adopted. The publication of this restatement of the Plan and this summary is not intended to amend any provision of the Plan retroactively, except if expressly so stated. In light of the number of changes in the Plan over the years, it is not possible to summarize all of the superseded Plan rules. To find out what rules were applicable to your situation at any particular time, you must examine the Plan and amendments which were then in effect and the Board of Trustees' interpretation of those rules.

**SIGN, PICTORIAL AND DISPLAY INDUSTRY
PENSION PLAN**

PART II: FORMAL PLAN TEXT

SECTION 1 - DEFINITIONS

1.1 Covered Hours of Employment means all of the following:

(a) (i) for employees covered under collective bargaining agreements, all hours for which an Employee is directly or indirectly compensated, or entitled to compensation by an Employer for the performance of duties during the applicable computation period under this Plan in a position for which contributions are required to be made to this Plan, including all overtime hours actually worked in such positions, irrespective of any increase in the rate of pay for such overtime hours, and all paid periods of non-working time in such positions for which the Employee is entitled to compensation by reason of vacation, holidays, disability, illness or injury; or

(ii) for full-time paid officers of a Local Union or a related entity, all hours of employment or paid non-working time for which the employer is required to make contributions to this Plan pursuant to a subscriber agreement; and

(b) all hours of the type described in subsection (a) for which back pay is awarded;

or any combination thereof, but in no event shall any period of time a Participant spends as a partner or a sole proprietor be counted as Covered Hours of Employment toward any service requirement under this Plan.

1.2 Credited Service includes credited past service and credited future service as outlined in Section 7. Credited Service, for both vesting and benefit credit purposes, also includes service in the Armed Forces of the United States, to the extent required by the laws of the United States.

1.3 Employer means any corporation, sole proprietorship, union or related entity, association of employers, or partnership which has entered into a collective bargaining agreement or other written agreement with the Union providing employees of said employer with pension benefits under this Plan.

1.4 Member, Employee, or Eligible Employee means an individual who is covered by this Pension Plan either by reason of an agreement between a Union and an Employer, or as a paid employee, agent, or officer of a Union or related entity for whom the Union or other entity has agreed to make contributions to this Plan. However, in no event do any of those terms include any a sole proprietor, partner or self-employed person except to the extent that such sole proprietor, partner or

self-employed person has performed, or may perform, covered employment before he or she became, or after he or she ceases to be, a sole proprietor, partner, or self-employed person.

1.5 Participant means any Employee who is an Active Participant in this Plan under Section 4 of this Plan.

1.6 Plan means this Pension Plan for members of the Sign, Pictorial and Display Industry.

1.7 Plan Year means the twelve month period starting on May 1 of each calendar year and ending on April 30 of the following calendar year.

1.8 Prior Plan means the Sign, Pictorial and Display Industry Pension Plan in effect prior to May 1, 1976.

1.9 Pension Committee and Trustees means the Committee of six or more individuals appointed by the Employers and the Unions to be responsible for the administration of the Plan. An individual member of the Committee and Board of Trustees is referred to as a member of the Pension Committee and Trustee. Hereinafter the Pension Committee and Trustees are referred to as the "Pension Committee."

1.10 Trust Agreement means the agreement between the Pension Committee establishing a Trust for this Plan.

1.11 Trust Fund means the fund created under the Trust Agreement in which all Employer contributions are deposited and accumulated for the purpose of providing the benefits outlined in the Plan.

1.12 Corporate Trustee means the Union Bank of California, or any successor trustee named by the Pension Committee.

1.13 Union means any union which has entered into a collective bargaining agreement with an Employer to provide benefits for individuals under this Plan.

1.14 Termination of Participation means termination by death, by the cessation of employment in the industry, or by becoming a sole proprietor, partner, or self-employed person, except as provided in Section 5.6.

1.15 Investment Counselor is a bank, firm or individual specialized in investment management who manages the investment of the Fund.

1.16 Administrator is the firm or individual charged with the day-to-day administration of the Pension Plan, including the maintenance and custody of all necessary and required records.

1.17 Actuary is the firm or individual who furnishes the trustees with actuarial evaluation of the Plan, including the projected costs of proposed changes and additions of new groups.

1.18 Actuarial Equivalence shall mean equivalent actuarial value determined on the basis of interest, mortality and other specified actuarial assumptions, which may be changed by the Pension Committee from time to time. Effective May 1, 1990, Actuarial Equivalence shall be determined using a seven percent (7%) interest rate assumption and the 1984 Unisex Pension Mortality Table, with ages set back one year.

1.19 "ERISA" means the Employee Retirement Income Security Act of 1974, as amended and related laws, including the Multiemployer Pension Plan Act of 1980; the Tax Equity and Fiscal Responsibility Act of 1982; the Retirement Equity Act of 1984; the Tax Reform Act of 1984; the Tax Reform Act of 1986; and any lawful regulations issued thereunder.

1.20 Contiguous Service means noncovered employment for an Employer maintaining the Plan, which immediately precedes or follows Covered Employment, without a quit, retirement or discharge between the covered and noncovered employment, as defined by Department of Labor Regulations § 2530.210.

SECTION 2 - EFFECTIVE DATE

The effective date of this Plan is May 1, 1976. The Pension Committee may, however, designate later effective dates for employees or members of particular Employers or Unions. Except as otherwise provided, this Restatement shall be effective May 1, 2006.

SECTION 3 - PLAN APPLICABILITY

3.1 The provisions of this Plan shall apply to participants who retire on or after May 1, 1976. The provisions of the Prior Plan shall apply to participants who retire before May 1, 1976.

3.2 For purposes of computing past service, the effective dates for the participating groups under the predecessor plan are:

Sign, Pictorial and Display Industry Local 510 (Absorbed Sign, Scene, Pictorial and Display Local 878, Oakland and Sign, Pictorial and Display Union Local 484, San Jose.)	May 1, 1957
San Francisco Display Group Local 510	April 1, 1959
San Francisco Department Store Group Local 510	June 1, 1959

Local 548 - First Group (Outdoor Contract)	November 1, 1959
San Francisco Distributors Local 510	July 1, 1967
Local 548 - Second Group (Neon Commercial)	April 1, 1970
Local 548 - Third Group (Silk Screen Printing)	May 1, 1971
Carpet Resilient Floor & Sign Workers Local 1237 (Predecessor: Sign, Scene, Pictorial and Display Union Local 294.)	October 1, 1979
Giltspur Group Local 548	May 1, 1988
Installers Group Local 510	May 1, 1995

SECTION 4 - PARTICIPATION

4.1 Active Participant

(a) An Employee will first become an Active Participant under the Plan on the earliest Monthly Date on which he/she is a Eligible Employee and he/she has worked at least 500 Hours of Service during any one Plan year, disregarding any Hours of Service which occurred prior to any Break in Service for him/her. Credit for the 500 Hours of Service begins on the date an Employee first renders an Hour of Service and has the opportunity to earn vesting service credit.

(b) A Participant who becomes an Inactive Participant after a temporary break in service, or ceases to be a Participant after a permanent break in service, will again become an Active Participant on the earlier of (1) or (2) below. Such date is his/her Re-entry Date.

- (1) The date on which he/she becomes an Eligible Employee by reason of reemployment or otherwise.
- (2) The date on which he/she completes one hour of covered employment as an Eligible Employee after a Break-in-Service as to him/her.

Upon again becoming an Active Participant, he/she will cease to be an Inactive Participant. However, a Participant will not be deprived of any benefit which may have been vested in him/her prior to his again becoming an Active Participant and which he/she has not received as a single sum distribution under this Plan.

(c) In no event will there be any duplication of benefits as to an Employee under this Plan by reason of more than one period as an Active Participant.

4.2 Inactive Participant: An Active Participant will become an Inactive Participant on the earliest of the following:

- (a) The date following the date on which a monthly income is provided as to him/her under this Plan.
- (b) The date he/she ceased to be an Eligible Employee by reason of Termination of Employment or otherwise, occurring one month or more prior to his/her Retirement Date.
- (c) The date he/she ceases to be an Eligible Employee by reason of partial or complete termination of the Plan.
- (d) The date a break-in-service occurs as to him/her.

SECTION 5 - VESTING AND BREAKS IN SERVICE

5.1 Vesting

(a) (i) Effective May 1, 1999, the interest in the Plan of any Active Participant shall vest upon the accrual of five (5) Years of Credited Service without, or since, a permanent break in service if the Participant has satisfied one of the following tests:

(A) The Participant performed at least 500 Covered Hours of Employment in the Plan Year ending April 30, 1999, and at least one Covered Hour of Employment in the Plan Year ending April 30, 2000; or

(B) The Participant performed at least 500 hours in the Plan Year ending April 30, 2000, or any single Plan Year thereafter.

(ii) Effective May 1, 1990, the interest in the Plan of any Active Participant who accrues at least one hour of covered employment on or after that date shall vest upon the earlier of the attainment of age 65 or the accrual of seven (7) years of Credited Service without, or since, a permanent break in service.

(iii) An Active Participant's interest in the Plan shall vest upon the accrual of ten (10) years of Credited Service without, or since, a permanent break in service.

(b) Effective January 1, 1988, an Active Participant who is an Eligible Employee, whose interest is not otherwise vested, and who, after that date, performs one or more hours of covered employment which is not covered under a collective bargaining agreement because it is performed for a Union or related entity, shall vest upon the accrual of five years of Credited Service.

(c) (1) For purposes of vesting, a year of Credited Service means any Plan Year in which the Participant performed 500 Covered Hours of Employment or Contiguous Service.

(2) Notwithstanding the above, for members of the Installers Group Local 510 who qualify for Past Service Credits for the Plan Years ending April 30, 1986, through April 30, 1995, a year of Past Service Credit shall be counted as a year of Credited Service for vesting, under the following rules:

(A) No Credited Service for any Plan Year before May 1, 1995, shall be counted for any purpose under the Plan including vesting, if, without counting the Installers Past Service Credits, such Credited Service would have been treated as lost due to a permanent break in service ending on or before May 1, 1995; and

(B) A Participant's Past Service Credits shall not be applied for purposes of vesting if the Participant has not yet satisfied the requirements of Section 7.1(b)(1)(B)(ii), or if the Past Service Credits are revoked under Section 7.1(b)(1)(D).

5.2 Breaks in Service

(a) Temporary Break in Service: If a non-vested Active Participant becomes, or remains, an Inactive Participant because of the failure to perform 500 hours of covered employment in any Plan Year, the Participant shall suffer a temporary one-year break in service in that Plan Year. An Inactive Participant may return to the status of Active Participant, and reinstate his or her pre-break credited service, if he or she performs 500 hours of covered employment in any Plan Year before he/she suffers a permanent break in service.

(b) Permanent Break in Service: The determination of whether a Participant's break in service commencing before May 1, 1976, is permanent shall be made under the rules of the Prior Plan. A non-vested Participant whose last hour of covered employment before a break in service was on or after May 1, 1976, but before January 1, 1987, shall suffer a permanent break in service at the end of a period of consecutive years of break in service equal to the number of years of credited service which the Participant accrued before the first of the consecutive years of break in service. A non-vested Participant whose last hour of covered employment before a break in service was on or after January 1, 1987, shall suffer a permanent break in service after a period of consecutive years of break in service equal to the greater of the number of years of credited service accrued before the first of the consecutive years of break in service, or five years. Credited Service accrued before a permanent break in service shall not be counted for any purpose under the Plan, regardless of whether or not the Participant becomes an Active Participant again.

5.3 Absence Due to Pregnancy and/or Childbirth (Effective January 1, 1987)

(a) In determining whether a break in service has occurred for Participation and vesting purposes, a Participant is deemed to have completed Hours of Service for periods of absence from work, up to a maximum of 501 hours, by reason of:

- (1) pregnancy of the Participant;
- (2) birth of a child of the Participant;
- (3) placement of child in connection with the adoption of a child by the Participant, or
- (4) caring for a newborn child during the period immediately following the birth or placement with the Participant for adoption.

(b) During the period of absence caused by such reasons, the Participant is treated as having completed:

- (1) the number of Covered Hours of Employment that normally would have been credited but for the absence, or
- (2) if the Covered Hours of Employment are unknown, eight (8) Hours of Service for each normal workday during the leave, subject to the maximum of 501 hours.

(c) The hours of service required to be credited must be credited only:

- (1) in the year in which the absence begins for one of the permitted reasons, if the crediting of such hours is necessary to prevent a Break in Service in that Plan year, or
- (2) in the following Plan year, if paragraph (1) above is not applicable.

(d) The Pension Committee shall require as a condition of providing credit for the hours required herein that a Participant certify that the leave was taken for one of the permitted reasons. The Pension Committee, at its discretion, may require such medical evidence, including, without limitation, hospital and physician records, as it deems appropriate.

5.4 Military Service: No break in service shall occur for an absence due to service in the Armed Forces of the United States. Such service by a Participant shall be considered Credited Service for vesting and benefit purposes to the extent required under Chapter 43 of Title 38 of the United States Code, provided that the Participant qualifies under that Chapter.

5.5 Disability: No break in service occurs for an absence from service because of temporary or permanent total disability, provided that such absence shall not exceed thirty-six (36) months. The Trustees have the discretion to determine temporary or total disability and to use the criteria for such disability contained in the Workers' Compensation Act or the California Unemployment Insurance Code.

SECTION 6 - RETIREMENT DATES AND BENEFIT COMMENCEMENT

6.1 Normal Retirement Date: The normal retirement date for each Participant in the Plan shall be the first day of the month following that Participant's sixty-fifth (65th) birthday.

6.2 Early Retirement Date: Effective May 1, 1999, if a Participant has attained the age of 55 and is vested as described herein, he/she may elect to retire on the first day of any month after his/her 55th birthday and prior to his/her normal retirement date, provided that:

(a) the Participant has ceased, or will have ceased, to perform covered employment by his/her early retirement date; and

(b) The Participant certifies, in a manner satisfactory to the Board of Trustees, that he or she intends to be retired on a long term basis from the types of employment for which contributions are made to the Plan, with a minimum period of no covered employment of at least six months following his or her retirement effective date.

6.3 Disability Retirement Date:

(a) Effective for retirement applications received on or after October 5, 1998, a participant who has five (5) or more years of credited service and who is totally and permanently disabled, as defined in the Social Security Act, 29 U.S.C. § 423(d), shall be eligible to receive benefits upon making written application in the form required by the Board of Trustees, if both of the following additional requirements are met:

(1) the participant was at least 47 years of age when he or she became disabled; and

(2) the participant had 500 or more hours of covered employment in at least one of the two Plan Years preceding the Plan Year in which the participant became disabled.

(b) Effective for retirement applications received on or after March 16, 2002, the month for which disability benefits first became payable shall be the month in which the participant became disabled, as specified in the participant's Social Security Administration Disability award.

6.4 Benefit Commencement and Mandatory Distribution Dates

(a) Payment of benefits to any Participant who is entitled to, and applies for, a normal retirement income benefit under the provisions of this Plan, shall be made and distributed no later than the 60th day after the latest of the close of the Plan year in which:

- (1) the Participant attains the age of 65; and
- (2) the Participant terminates his service with his last Covered Employer.

(b) Notwithstanding anything herein to the contrary, distributions shall commence for each Participant at the following times:

- (1) Effective January 1, 1987, after a Participant's attainment of normal retirement age, distributions must commence by April 1 following the later of the calendar year in which the Participant terminates employment or attains age 70½.
- (2) Effective May 1, 1989, distributions to Participants who attained age 70½ in calendar year 1988 or any calendar year thereafter shall commence no later than April 1 of the calendar year following the calendar year in which the Participant attains age 70½, without regard to the Participant's actual date of retirement.
- (3) Effective January 1, 1997, distribution to each Participant must commence no later than the following times:
 - (A) if the Participant is a 5% owner of a contributing employer, April 1 of the calendar year following the year in which the Participant attains age 70½; or
 - (B) if the Participant is not a 5% owner, the later of: (i) April 1 of the calendar year following the later of the year that the Participant attains age 70½; or (ii) the Participant's retirement from covered employment.

(c) Notwithstanding anything herein to the contrary, a Participant's entire interest must be distributed commencing no later than his/her Mandatory Commencement Date over the life of the Participant and/or over the life of the Participant's Spouse, in accordance with the requirements of Internal Revenue Code § 401(a)(9) and the Regulations issued thereunder, including the requirements for minimum incidental death benefits.

(d) If a Participant is no longer living when benefits become due and payable, such benefits shall be paid to his/her surviving spouse unless a non-spouse

contingent annuitant has been properly elected pursuant to Section 9 below. If benefits are to be paid to a surviving spouse of the Participant, benefits must commence no later than the Participant's Mandatory Commencement Date, and be payable over the life of the surviving spouse. If benefits are payable to a beneficiary other than a surviving spouse, then benefits shall commence not later than one year from the date of the Participant's death, and be payable over the lifetime of the beneficiary. If benefits are to be paid to a person other than a surviving spouse or beneficiary designated by the Participant, then the entire interest of the Participant shall be distributed, commencing within one year of the Participant's death, over a period of five years from the Participant's death.

SECTION 7 - AMOUNT OF RETIREMENT INCOME

7.1 Normal Retirement Income

(a) The normal retirement income benefit to which a Participant shall be entitled upon reaching normal retirement date, shall not be less than the benefits the Participant would have received if he/she had retired on an early retirement date.

(b) The monthly amount of normal retirement income to which a Participant will be entitled upon reaching his/her normal retirement date will be equal to the sum of his/her past service retirement income (if any) and his/her future service retirement income, each determined in the following manner:

(1) Past Service Retirement Income:

(A) For groups whose effective date is prior to May 1, 1995: Each member who becomes a Participant in the Plan on the Plan's effective date for that participants' group shall be credited with an amount of monthly past-service retirement income equal to three dollars (\$3.00) multiplied by his/her number of completed whole years of credited past service. Credited past service is full years of service rendered by a member prior to the effective date of the Plan and subsequent to his/her latest seniority date in the Union records or other reliable documentary proof of continuous service. A "full year of service" is defined as any Plan year in which the employee has received credit for a year of service pursuant to the terms of the Prior Plan. In no event, however, shall any member be credited with more than fifteen (15) years of Credited Past Service.

(B) (i) For members of the Installers Group Local 510: Subject to the provisions of subsections (C) and (D), each member of the Installers Group Local 510 for whom the Plan became effective on May 1, 1995, shall be credited at retirement with an amount of past-service retirement income equal to twenty dollars (\$20) multiplied by his/her number of completed whole years of Credited Past Service, under the following rules. For purposes of this rule, the Plan became effective for a member of the Installers Group Local 510 on May 1, 1995, if he or she performed employment under the Local 510 Installers collective bargaining agreement on or

between May 1, 1985 and April 30, 1995. For each Plan Year in that period in which a Participant performed 500 hours of Covered Employment as an Installer, the Participant shall receive one year of credited past service, up to a total of six (6) years, if he/she satisfies the following activity test:

- (I) He/she performed 500 hours of Covered Employment as an Installer in either the Plan Year ending April 30, 1993, or the Plan Year ending April 30, 1994, or both; and
- (II) He/she performed 500 hours of Covered Employment under the Plan in either the Plan Year ending April 30, 1996, or the Plan Year ending April 30, 1997, or both.

(ii) An Installer who does not satisfy the work requirement for Past Service Credit in test period I or II above, and who was disabled from the trade for at least six (6) months during a Plan Year of that test period, may satisfy the work requirement for that test period with 500 hours of covered employment in the Plan Year specified in the following table:

<u>Year of Disability</u>	<u>Substitute Year</u>
PYE 4/30/93	PYE 4/30/92
PYE 4/30/94	PYE 4/30/95*
PYE 4/30/96	PYE 4/30/95*
PYE 4/30/97	PYE 4/30/98
	*May only be used once.

To qualify as "disabled" for purposes of this subsection (ii), a participant must be totally disabled from the Trade in the opinion of the Trustees. That determination will be made solely within the discretion of the Trustees, who may rely on the criteria for such disability as are contained in the Workers' Compensation Act, or in the California Unemployment Insurance Code for State Disability Insurance.

(C) A member of the Installers Group Local 510 who qualifies for both Future Service Credit and Past Service Credit in any Plan Year may not receive benefits for both the Future Service Credit and Past Service Credit. However, such members of the Installers Group Local 510 shall receive Past Service Credit for the combination of eligible Plan Years which results in the highest overall benefits for his or her Covered Employment.

(D) The Board of Trustees reserves the power to cancel any Past Service Credits of a member of the Installer Group Local 510 who is not retired, if in the exclusive discretion of the Board of Trustees: i) a significant withdrawal of Installer employers occurs before the time that the Board of Trustees, in consultation with the Plan Actuary, has determined that the Past Service Credits granted effective May 1,

1995, have been funded; and ii) the Past Service Credit was granted for employment with an employer who withdraws from the Plan.

(E) Notwithstanding the Plan Year to which a year of Past Service Credit is attributable, for purposes of Section 8.2(b)(2)(A), all Past Service Credit granted under Section 7.1(b)(1)(B) shall be deemed accrued on May 1, 1995, and subject to actuarial reduction for all forms of benefit which include survivor benefits.

(2) Future Service Retirement Income: Each Participant in the Plan shall be credited with a monthly future service retirement income benefit that is equal to the sum of the following items:

(A) (i) With respect to benefits accrued as of April 30, 1990, the amount computed by multiplying the Monthly Pension Benefit amount applicable to a Participant's Contribution Rate according to the table in subsection (ii) times the number of years of future service credit accrued by that Participant prior to April 30, 1990.

(ii) The Monthly Pension Benefit amount shall be determined under the following table:

<u>Contribution Rate</u> <u>Per Hour</u>	<u>Monthly Pension Benefit</u> <u>Based on 1600</u> <u>Covered Hours</u>
25 cents or less	\$ 9.00
30 cents	\$10.25
35 cents	\$11.50
40 cents	\$12.75
45 cents	\$14.00
50 cents	\$15.25

And for each five cents an hour (\$0.05) the contribution rate is over fifty cents (\$0.50), the 1600 hour monthly benefit of \$15.25 shall be increased one dollar and twenty-five cents (\$1.25).

(iii) For purposes of this subsection, a Participant's Contribution Rate shall mean the higher of the following rates: 1) the average rate paid on behalf of the Participant during the three (3) year period immediately preceding April 30, 1990, or 2) the average rate paid on behalf of the Participant during the Plan Year ending April 30, 1990. Covered Hours shall be computed for each Plan Year from May 1 of a calendar year to April 30 of the following calendar year.

(iv) Notwithstanding the above, effective for benefits accrued on or after June 1, 1975, through May 1, 1990, no 1600-hour monthly benefit shall be less than \$9.00.

(v) For any Participant with 500 or more, but less than 1600, Covered Hours in a Plan Year, the Participant's monthly pension benefit for that Plan Year shall be a prorated portion of the full benefit calculated by dividing the number of Covered Hours the Participant accrued that Plan Year by 1600, and multiplying that number by the amount determined in subsection (ii) above.

(B) Effective April 30, 1990, for each Plan Year commencing on May 1, 1990, May 1, 1991, or May 1, 1992, in which the Participant accrued 500 or more Covered Hours during the Plan Year, an amount equal to three percent (3%) of the aggregate contributions made on behalf of the Participant during that Plan Year.

(C) Effective April 30, 1993, for each Plan Year commencing on or after May 1, 1993, in which the Participant accrued 500 or more Covered Hours during the Plan Year, two and one-half percent (2.5%) of the aggregate contributions made on behalf of the Participant during that Plan Year, except as such amount may be amended by the Trustees before the beginning of that Plan Year.

(D) Effective May 1, 2003, for each Plan Year commencing on or after May 1, 2003, in which the Participant accrued 500 or more Covered Hours during the Plan Year, two percent (2%) of the aggregate contributions made on behalf of the Participant during that Plan Year.

7.2 Early Retirement Income: (a) The monthly amount of retirement income payable to a Participant retiring on an early retirement date shall be his or her Normal Retirement Income accrued to date, actuarially reduced to reflect the fact that payments are commencing earlier and will be paid for a longer period of time. Effective for pensions commencing on or after January 1, 1991, a Participant who retires on an early retirement date on or after he/she attains age 62 shall receive his/her unreduced Normal Retirement Income, and a Participant who retires on an early retirement date before the attainment of age 62 shall receive a reduced retirement income benefit, in accordance with the Table in Appendix I.

(b) Effective for pensions commencing on or after January 1, 1998, through April 30, 2000, if a Participant has attained age 55 and accrued 30 Years of Credited Service, in lieu of the reduction factors stated in Appendix I, the following reduction factors shall apply:

<u>Early Retirement Age</u>	<u>Benefit Reduction Factor</u>
55	35%
56	30%
57	25%
58	15%
59	10%
60 and above	0%

(c) "Rule of 85" Unreduced Early Retirement. Effective for pensions commencing on or after May 1, 2000, a Participant who retires on an early retirement date on or after he/she has attained age 55, and who has accrued 30 Years of Credited Service (as defined in Section 5.1(c)), shall receive his/her unreduced Normal Retirement Income.

7.3 Disability Retirement Income

(a) Basic Disability Retirement Income: Except as provided in subsection (b), the monthly amount of retirement income payable to a Participant eligible for disability retirement benefits shall be equal to his or her Normal Retirement Income without actuarial reduction based upon credited service to his or her disability retirement date, provided that no benefit shall be less than fifty dollars (\$50.00) a month for such eligible Participant.

(b) Joint Pension for Disabled Married Participants: Effective January 1, 1987, the Joint Pension shall be payable to a married Participant receiving a disability retirement benefit, upon the first day of the month following the date said Participant attains age 65, unless such Participant and his or her lawful Spouse waive such Joint Pension in the manner set forth below for the election of forms of benefit.

7.4 Retirement Income for Retirements After Age 65: The monthly amount of retirement income payable to a Participant retiring after age 65 will be determined in the same manner as retirements at age 65, except that the Participant's retirement income shall include any additional benefits earned after age 65 and any benefits required to be paid under Section 6.4(a) of the Plan. Notwithstanding the above, effective January 1, 1997, if a Participant's benefits commence after April 1 of the calendar year following the year in which the Participant attained age 70½, his or her benefit shall be actuarially increased to take into account the period after age 70½ in which the Participant was not receiving any benefits under the Plan. Such actuarial increase shall be calculated in accordance with Internal Revenue Code § 401(a)(9)(C) and the Regulations issued thereunder.

7.5 Ad Hoc Retirement Benefits: In addition to the amounts provided herein, the Pension Committee may, from time to time, provide for the payment of additional benefits to retirees on a one-time basis, subject to any limitations in the collective

bargaining agreement or Trust Agreement, but otherwise at their exclusive discretion, with the Minutes of such actions deemed a part of this Plan. However, an ad hoc benefit shall not be paid to a retired employee if the employee has worked, for any hours during the twelve months preceding the effective date of that ad hoc benefit, in work of the type covered by a collective bargaining agreement of a Union whether working in union or non-union employment.

SECTION 8 - NORMAL AND OPTIONAL FORMS OF RETIREMENT INCOME

8.1 General Rules of Distribution

(a) Monthly Benefits: The normal and optional forms of retirement income shall consist of monthly payments commencing on the Participant's retirement date and terminating in accordance with the rules of the form of benefit elected by the Participant or by the Participant and his or her spouse.

(b) Suspension of Benefits:

(i) (A) At or After Normal Retirement Age: Except as provided in subsection 8.1(b)(i)(B), benefits of a retired employee will be suspended one month for each month in which the employee works forty (40) hours or more in the same industry, in the same trade or craft, in work of the type covered by a collective bargaining agreement of a Union whether working in union or non-union employment; and in the same geographical area covered under the contract (California and Arizona), as was the case immediately before he/she retired.

(B) Effective June 7, 2004, benefits accrued prior to the October 1, 2001 adoption of the Fourth Amendment to the Plan as revised May 1, 1999, will be subject to the prior rule in effect regarding suspension of benefits, and only suspendible in a month in which the retired employee works forty (40) hours or more in the same industry, in the same trade or craft, and in the same geographical area covered under the contract, as was the case immediately before he/she retired. Benefits which were accrued on May 1, 2002, and which were suspended under the rule in effect after October 1, 2001, will be paid retroactively to June 1, 2004, with applicable interest.

(ii) Before Normal Retirement Age:

(A) Except as provided in subsection 8.1(b)(ii)(B), benefits of a retired employee will be suspended if the employee works forty (40) hours or more in a month in the same trade or craft in work of the type covered by a collective bargaining agreement of a Union, whether working in union or non-union employment, and in the same geographical area covered under the contract (California and Arizona), as was the case immediately before he/she retired.

(B) Effective June 7, 2004, benefits accrued prior to the October 1, 2001 adoption of the Fourth Amendment to the Plan as revised May 1, 1999, will be subject to the prior rule in effect regarding suspension of benefits, and only suspendible in a month in which the retired employee works forty (40) hours or more in the same industry, in the same trade or craft, and in the same geographical area covered under the contract, as was the case immediately before he/she retired. Benefits which were accrued on May 1, 2002, and which were suspended under the rule in effect after October 1, 2001, will be paid retroactively to June 1, 2004, with applicable interest.

(C) Except as provided in subsection 8.1(b)(iii), the first time that an employee's benefits are suspended before Normal Retirement Age, benefits shall recommence on the first day of the month following the earlier of:

(1) one year from the last month of his/her performance of suspendible employment; or

(2) his or her re-retirement and attainment of Normal Retirement Age.

(D) Except as provided in subsection 8.1(b)(iii), the second time that an employee's benefits are suspended before Normal Retirement Age, benefits shall recommence only on the first day of the month following the later of his or her re-retirement and his/her attainment of Normal Retirement Age.

(E) If an employee's benefits are suspended under this section, then when benefits recommence, his/her monthly benefit shall be actuarially adjusted to an amount which is the actuarial equivalent of his/her Normal Retirement Benefit commencing at Normal Retirement Age, less the actuarial value of any benefits already received.

(iii) Notwithstanding the other provisions in this Section 8.1(b), when the Union and the Board of Trustees certify that there is a shortage of labor in the Industry, then a retired employee who returns to work in suspendible employment shall have his/her benefits suspended only for those months in which he/she works 40 or more hours.

(c) Lump-Sum Payment in Lieu of Monthly Benefit:

(1) If, at the time a monthly benefit becomes payable to a Participant or Beneficiary, the total lump sum present value of the person's benefit has never exceeded \$5,000, the Pension Committee at its discretion may pay to the Participant or Beneficiary, in a lump sum, the amount of such actuarially calculated value, in lieu of the monthly benefit otherwise payable. (For the period from May 1, 1976 through April 30, 1985, the Pension Committee, at its discretion, could pay a Participant, or Beneficiary, an actuarially calculated lump sum benefit with a present value up to \$1,750.00 in lieu of the monthly benefit otherwise payable, and

for the period from May 1, 1985 through April 30, 1999, a benefit with a present value of \$3,500.)

(2) Effective May 1, 1985, the present value of such lump sum shall be determined using the 1984 Unisex Pension Mortality Table, with ages set back one year and an interest rate equal to the rate which would be used by the Pension Benefit Guarantee Corporation in valuing a lump sum distribution for a Plan terminating on the May 1 preceding the date of determination. Effective May 1, 1999, the present value of such lump sum shall be determined using the mortality table prescribed by the Secretary of the Treasury under § 417(e)(3)(A)(ii)(I) of the Internal Revenue Code and the applicable interest rate under § 417(e)(3)(A)(ii)(II) of that Code.

(d) Eligible Rollover Distributions:

(1) This Section applies to distributions made on or after January 1, 1993. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section, a distributee may elect, at the time and in the manner prescribed by the plan administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

(2) Definitions.

(A) Eligible rollover distribution: An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include:

- (i) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life or life expectancy of the distributee or the joint lives or joint life expectancies of the distributee and the distributee's designated beneficiary; or for a specified period of ten years or more;
- (ii) any distribution to the extent that such distribution is required under section 401(a)(9) of the Internal Revenue Code; and
- (iii) the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).

(B) Eligible retirement plan: An eligible retirement plan is an individual retirement account described in section 408(a) of the Internal Revenue Code, an individual retirement annuity described in section 408(b) of the Code, an annuity plan described in section 403(a) of the Code, or a qualified trust described in section 401(a) of the Code, that accepts the distributee's eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity.

(C) Distributee: A distributee includes an employee or former employee. In addition, the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse.

(D) Direct Rollover: A direct rollover is a payment by the plan to the eligible retirement plan specified by the distributee.

(e) Post-Retirement Benefit Accruals: Any benefits which an employee earns after retirement shall be payable effective the first day of the next Plan Year following return to retired status, subject to a reasonable period of delay for administrative processing of employer reporting information.

8.2 Normal Forms of Benefit

(a) Normal Retirement Income: The normal retirement income shall be a Single Life Pension, consisting of monthly benefits commencing at the retirement date of the Participant and ending at the Participant's death. This form of benefit shall apply to all Participants who are not married at the time of their retirement, unless the Participant elects in writing an optional form of benefit provided below. If a Participant is married at retirement, but the Participant and spouse are married for less than twelve months at retirement, the Participant and spouse may receive the Joint and Survivor Annuity on a provisional basis, subject to the right of the Participant and spouse to elect another form of benefit in accordance with the rules of Section 9.1. This award of the Joint and Survivor Annuity shall be final if and only if the Participant and spouse remain alive and married through the twelfth month of their marriage.

(b) Joint and Survivor Annuity

(1) Spousal Benefits Before and After Retirement (Before January 1, 1987)

A monthly pension benefit of an amount equal to fifty percent (50%) of the monthly pension benefit that was being paid to a Participant who had retired and was receiving benefits, shall be paid to the spouse of such Participant commencing on the death of such Participant. A monthly pension benefit of an amount equal to fifty percent (50%) of the monthly pension benefit to which an active Participant, who was eligible for regular, early or postponed retirement, shall be paid to the spouse of such active Participant commencing on the death of the Participant. The amounts payable under this subsection (1) shall not be subject to an actuarial reduction. In no event shall the amount paid to such surviving spouse be less than the benefit which would have been made to the spouse under the Optional Retirement Income defined in Section 14 of the Plan then in effect, if the Participant had made the election described in that Section 14, prior to his/her retirement. To be eligible for benefits listed above, the spouse of the deceased Participant shall

have been married to the Participant for at least twelve (12) months prior to his/her death.

(2) Spousal Benefits After Retirement (Effective January 1, 1987)

(A) Joint Pension: Effective January 1, 1987, the normal form of benefit under this Plan for a Participant who had one or more Covered Hours of Employment on or after September 1, 1974, who had not yet begun to receive an annuity, and who is married for at least twelve months at the time of his retirement, shall continue to be a 50% Joint and Survivor Annuity ("Joint Pension") unless the Participant and his/her lawful Spouse waive such annuity pursuant to Section 9 below. The Joint Pension provides a lifetime pension for a married Pensioner and, after his or her death, a lifetime pension for his or her surviving Spouse in an amount equal to 50% of the amount payable to the Participant. Effective May 1, 1990, for all Joint Pensions commencing on or after that date, the Joint Pension shall be subject to an actuarial reduction for all benefits paid for accruals on or after that date.

(B) Additional Conditions on the Joint Pension

(i) Notwithstanding the above, the Joint Pension shall not be effective under any of the following circumstances:

- 1) the Spouse died before the Participant's pension began;
- 2) the marriage of the Participant and his Spouse was legally terminated before the Participant's pension began, except as required by a Qualified Domestic Relations Order.

(ii) The Pension Committee shall be entitled to (but is not required to) rely on the written representation last filed by the Participant before his or her pension payments commenced as to whether or not he or she was married at such time.

(iii) Any payment made in good faith pursuant to any written statement of a Participant or Beneficiary shall discharge all obligations of the Pension Committee to the extent of such payments. No Joint Pension shall be payable to an individual claiming to be the lawful Spouse of a Participant unless written proof has been filed of such status with the Pension Committee prior to the month following the making of the first pension payment.

(C) Actuarial Equivalence

(i) The benefits which a Participant and spouse shall receive as a Joint Pension for Credited Service accrued before May 1, 1990, shall not be subject to any reduction for purposes of actuarial equivalence. The Participant shall receive the same amount of monthly benefits if he/she is

married for twelve months at retirement as he/she would have received if he/she was not married for twelve months at retirement, and the spouse's survivor benefits shall be 50% of the unreduced benefit amount.

(ii) The benefits which a Participant and spouse shall receive as a Joint Pension for Credited Service after May 1, 1990, for Joint Pensions commencing on or after that date shall be the actuarial equivalent of the Normal Retirement Benefit. Such benefits shall be adjusted according to the Table of Appendix II.

(D) No Adjustment of Benefits: Effective May 1, 1976, except as provided in Section 9.1, the monthly amount of the Joint Pension, once it has become payable, shall not be increased if the marriage of the Participant and his or her Spouse is subsequently legally terminated or if the Spouse predeceases the Pensioner.

8.3 Optional Forms of Benefit

(a) The following optional forms of benefit are available under the Plan, subject to the Plan rules for election of form of benefit:

- (1) 100% Contingent Annuitant Benefit: A reduced retirement income with the same amount payable to a designated contingent annuitant, if such contingent annuitant shall survive him/her, actuarially adjusted per Appendix III;
- (2) Fixed Amount Annuitant Benefit: A reduced retirement income with a lesser amount payable to a designated contingent annuitant, if such contingent annuitant shall survive him/her; or
- (3) Fixed Percentage Annuitant Benefit: An adjusted retirement income which will be payable during the joint lifetime of the retired Participant and his/her designated contingent annuitant, and commencing at the death of either the retired Participant or his/her designated contingent annuitant, with a fractional portion of such amount, from 50% to 99%, payable to the survivor during the remainder of his/her lifetime.
- (4) Social Security Adjustment Option: For Participants who retire early, a higher retirement income prior to his or her Social Security normal commencement date and a reduced amount subsequent to that date, so that, insofar as practical, a combined level income from the Plan and Social Security will result. Income from Social Security shall be based upon an estimate of the Participant's Social Security primary amount. The amount the Participant receives from the Plan will be actuarially equivalent to the retirement income he/she would have otherwise received.

(b) Optional retirement income shall be actuarially equivalent in value to the Participant and his/her spouse's combined benefits, giving due weight to the ages of the Participant, spouse and designated contingent annuitant as the case may be. For purposes of the Optional Forms of Benefit other than the 100% Contingent Annuitant Benefit, actuarial equivalence shall be determined using a 7% interest rate and the UP 84 Mortality Table, with the ages set back one year. In no event will the amount of the survivor benefit paid to the spouse be less than one-half unless the Participant's spouse consents as provided below, nor greater than the amount of the benefit payable during the joint lives of the Participant and his/her spouse.

(c) The designated contingent annuitant, as used in this Section, shall be limited to the spouse or any one of the children of the Participant. To be eligible for benefits under the options described in this section, the spouse must have been married to the Participant for at least twelve months prior to the benefit starting date. However, if a Participant and spouse are married for less than twelve months at retirement, the spouse may be designated to be the contingent annuitant, in which case the election of the optional form of benefit and designation of the spouse as beneficiary shall be final at the end of the twelfth month of their marriage. If the designated contingent annuitant, as used in this Section, is a child of the Participant, the value of the payments to be made to the Participant shall be adjusted so that no more than one-half of the value of the total payments to be made to the Participant and said contingent annuitant are made to the contingent annuitant.

SECTION 9 - RULES FOR ELECTION OF FORMS OF BENEFIT

9.1 Rules for Election by Participants Married Less than Twelve Months

A Participant who is not married at the time of retirement may elect in writing any Optional Form of Benefit. A Participant who is married at the time of retirement, but is married for less than twelve months, may elect any form of benefit, including the Joint Pension, with or without spousal consent, subject to the following conditions:

- (a) If the Participant elects the Single Life Pension, or elects an Optional Form of Benefit and designates a beneficiary other than his/her spouse, and if the spouse consents to this election and/or designation of beneficiary, then the election is final upon receipt of the first benefit payment.
- (b) If the Participant elects the Single Life Pension, or elects an Optional Form of Benefit and designates a beneficiary other than his/her spouse, but the spouse does not consent, and if the Participant and spouse remain alive and married through the twelfth month of their marriage, then the Participant's form of benefit shall automatically

convert to the Joint Pension on the first day of the first month following the twelfth month of their marriage.

- (c) If the Participant elects the Joint Pension or an Optional Form of Benefit in favor of the spouse, whether or not with spousal consent, and if the Participant and spouse do not remain married through the twelfth month, then, upon the dissolution of their marriage, the Participant may elect another form of benefit for his/her remaining benefits.
- (d) If the Participant elects the Joint Pension, or an Optional Form of Benefit in favor of the spouse, whether or not with spousal consent, and the Participant dies before the twelfth month of their marriage, then no benefits shall be paid after the Participant's death.

9.2 Rules for Election By Participants Married Twelve Months or More

(a) Opportunity to Elect Form of Benefit. In lieu of the normal form of retirement income, a Participant has the option to elect, by written notice filed with the Pension Committee at any time not less than three (3) years before his/her retirement date, a retirement income in one of the following options. Effective January 1, 1987, a Participant who is married for twelve months at the time of his or her retirement, may, with spousal consent as provided below, elect by written notice filed with the Pension Committee at any time during a ninety (90) day period before his/her retirement date, a retirement income in the Single Life Pension or an Optional Form of Benefit. Within a reasonable time before a Participant's Normal Retirement Date, or earlier upon the request of a Participant, the Fund Administrator shall provide the Participant and spouse with an explanation of the Joint and Survivor Annuity, the Participant's rights to elect a form a benefit, and the spouse's right to consent or to refuse to consent to the election of a benefit other than the Joint Pension, and to the designation of a person other than the spouse to be the contingent annuitant. The Participant may revoke any previous waiver, election, or revocation of a waiver up to said Participant's retirement date. The Participant's spouse may revoke or reinstate any waiver and consent any time, and any number of times, before said Participant's retirement date.

(b) Requirements for Spousal Consent

(1) Waiver and Consent Must be in Writing: The election of a form of benefit other than the Joint Pension by a Participant who is married for more than twelve months is permitted only if his or her spouse files a waiver of that form of benefit, and consent to the form of benefit chosen, and to the designation of beneficiary, if other than the spouse, with the Fund Administrator on such forms or in the manner as the Pension Committee requires. Such spousal waiver and consent shall be valid only if it is in writing, and if the signature of the spouse is witnessed by a Plan representative or notary public.

(2) Acknowledgments by the Participant and Spouse: An election not to receive the Joint and Survivor Annuity shall be effective only if accompanied by an acknowledgment of the Participant and Spouse in writing that they have received a written explanation of the terms and conditions of that benefit; the Participant's right to make, and the effect of an election to waive, the Joint Annuity form of benefit; the rights of the Participant's Spouse; and the right to make, and the effect of, a revocation of an election.

(c) Effect of Failure to Submit Proper Waiver, Consent, or Other Documents: A Participant's pension application may be delayed until said Participant and Spouse have submitted the documents required herein and any other documentation required by the Plan or the Pension Committee.

(d) Limited Exceptions--No Spousal Consent Required: Spousal consent shall not be required if the Participant establishes to the satisfaction of the Pension Committee that the consent required by the Spouse cannot be obtained because there is no Spouse or the Spouse cannot be located or because of other unusual circumstances. Spousal consent shall also not be required as allowed by federal law, court decisions, or regulations.

(e) Limited Effect of Spousal Consent/Spouse Determination: A consent by a Spouse is effective only with respect to that Spouse, and a determination that the consent of a Spouse cannot be obtained is also effective only with respect to that Spouse.

9.3 Effect of the Death of Spouse or Designated Beneficiary Before Participant's Retirement Date: If the form of benefit which applies to the Participant calls for benefit payments to the Participant's spouse or to a contingent annuitant designated by the Participant, and the spouse or contingent annuitant predeceases the Participant before the Participant's actual retirement, the election of an option shall become null and void and of no effect.

SECTION 10 - LIMITATION OF BENEFITS

10.1 In no event shall a participant's annual benefit under this Plan exceed the amount permitted under Section 415 of the Internal Revenue Code and the Regulations issued thereunder.

SECTION 11 - PRE-RETIREMENT DEATH BENEFITS

11.1 Pre-Retirement Survivor Annuity (Effective January 1, 1987)

(a) Participant's Death Before Attainment of Age 55: Effective January 1, 1987, if a married Participant who earned an hour or more of Covered Employment on or

after May 1, 1976, who was alive on January 1, 1987, and who had not begun receiving an annuity dies before attaining age 55 and at the time of death had earned a Vested Benefit under the Plan, said Participant's surviving Spouse shall receive a pension equal to one-half (½) the amount the Participant would have received had he or she separated from Covered Employment on the date of death, survived to age 55, retired with a Joint Pension, and died on the day after he or she would have attained age 55. The surviving Spouse's benefit is payable under this provision at the time the deceased Participant would have attained age 55. The amount shall be determined in accordance with Section 7.2 of the Plan. (For the period from May 1, 1976 through December 31, 1986, a monthly pension benefit was payable only to a surviving Spouse of a Vested Participant whose last separation from Covered Hours of Employment was on or after age 55.)

(b) Participant's Death After Attainment of Age 55: Effective May 1, 1976, if a married Participant dies on or after the date he or she attains age 55 and at the time of his or her death had earned a Vested Benefit under the Plan and was eligible to retire on an early or normal retirement benefit as set forth in Section 7 of the Plan, the Participant's surviving Spouse shall receive a Pre-Retirement Survivor Annuity for life equal to one-half (½) the amount that would have been payable to the Participant had he or she retired with a Joint Pension on the day before his or her death. The amount of such pension shall be determined in accordance with Section 7.2 above.

(c) Death of Totally Disabled Participant Before Age 65: Effective January 1, 1987, if a totally disabled Participant who is receiving a disability pension pursuant to Sections 6.3 and 7.3, above dies before attaining age 65, the spouse of such Participant shall be entitled to receive a Pre-retirement Survivor Annuity. The amount shall be determined in accordance with Section 7.2 above.

11.2 Pre-Retirement Lump Sum Death Benefit (Effective January 1, 2000)

(a) If a qualified Participant dies before his or her retirement benefits have commenced to be distributed, and the Pre-Retirement Survivor Annuity will not be paid, then a lump sum benefit shall be payable to the qualified beneficiary of the Participant. The amount of this benefit shall be determined by the number of full Years of Credited Service for Vesting which had been accrued by the Participant before his or her death (including Past Service):

\$ 5,000, with at least 10 Years of Credited Service, plus
\$ 1,000 for each additional Year, up to a maximum benefit of
\$25,000 for 30 or more Years.

(b) A Participant is qualified for this benefit if he or she had worked at least 500 Covered Hours of Employment in one of the two Plan Years preceding his or her death.

(c) If a Participant has a surviving Spouse, the Pre-Retirement Survivor Annuity will be paid unless the surviving Spouse has waived all rights to death benefits and consented to the designation of another beneficiary, or, after the Participant's death, the surviving Spouse waives that Annuity in favor of this benefit. A spousal waiver, and consent if applicable, shall be valid only if given under the rules of Section 9.2 of the Plan, which apply here even if the Participant and Spouse were married less than a year.

(d) If Participant has no surviving Spouse, or the Spouse has properly waived all rights to death benefits under the Plan and consented to the designation of another person(s) as beneficiary(ies), then the person or persons designated by the Participant are the qualified beneficiary(ies), except as follows:

(1) Any designation made by a non-married Participant is no longer valid if the Participant becomes married, and it does not become valid again if that marriage is dissolved; and

(2) Any designation of a Spouse as beneficiary is no longer valid if the marriage with that Spouse is dissolved unless, and only to the extent that, such designation is preserved in a Qualified Domestic Relations Order, or unless it is reinstated by the Participant after the dissolution of their marriage.

(e) If there is no surviving Spouse, and no valid designation of beneficiary by the Participant, then this benefit shall be payable to the Participant's estate, if any, or if none, to his or her heirs.

SECTION 12 - ADMINISTRATION

12.1 General Administration

(a) The Plan is administered by a Pension Committee. The Pension Committee will consist of the persons appointed from time to time by the Employers and the Unions pursuant to the Trust Agreement. At all times there shall be an equal number of individuals designated by the Employers and the Unions serving on the Committee.

(b) As trustees, Pension Committee members shall serve without compensation. However, a Pension Committee member may, upon authorization by the Committee, be reimbursed from the trust fund a sum as the trustees may from time to time specify for all reasonable expenses for attending each meeting of the Pension Committee and for expenses reasonably incurred in the discharge of his or her duties, provided that a member shall not be indemnified for any loss, liability, and expense occasioned by any act or omission which is due to his or her willful misconduct or fraud.

(c) The members of the Pension Committee will elect one of their number as Chairperson and will appoint a Secretary and such other Officers as they deem necessary, who may, but need not, be members of the Pension Committee, and may authorize one or more of their number or any other person to execute or deliver any instrument or make any payment on their behalf.

(d) The Pension Committee may establish rules for the transaction of its business and the administration of the Plan. The Pension Committee will have the exclusive right to construe the provisions of the Plan and to determine any and all questions arising thereunder or in connection with the administration thereof, including the right to remedy possible ambiguities, inconsistencies, or omissions; and any such construction or determination by the Pension Committee made in good faith shall be conclusive on all persons affected thereby, provided that in any such construction or determination the Pension Committee shall not discriminate in favor of any class of employee or Participants.

(e) The Pension Committee shall adopt the mortality tables, interest rates, actuarial assumptions and other factors to be used initially as the basis for actuarial calculations, and may thereafter from time to time change any or all of them.

12.2 Claims Appeals

Any Participant in, or beneficiary of, the Plan who disagrees with or disputes an initial determination of his/her status or benefits under the Plan or any adverse action or determination of the Administration Office has the right of appeal by written notice directed to the Administration Office, within 60 days of notification of the action. The Pension Committee shall notify the claimant of his/her right to appear at a regular meeting of the Trustees to present his/her case. The written appeal shall set forth the facts and contentions on which the claimant bases his/her appeal and the Pension Committee shall act upon the matter whether or not the claimant elects to make an appearance. The determination of the Pension Committee shall be reduced to writing and shall be furnished to the claimant within ten (10) days of the meeting in which the matter was heard. A decision of the Pension Committee on all matters within its express or implied discretion as conferred or reserved by the Trust Agreement or this Plan shall be final and binding on all parties affected thereby.

SECTION 13 - MISCELLANEOUS PROVISIONS

13.1 Funding

The Pension Committee shall establish and maintain a funding policy for past service and future service retirement income credits which complies with the requirements of the ERISA.

13.2 Investment Policy

The Pension Committee may appoint one or more investment counselors who shall invest and reinvest the pension fund within the legal limitations application to the Plan. Such counselor or counselors shall not be directed by the Trustees, but shall quarterly fully inform the Trustees of investment activities and submit, at least annually, a full account of the Fund's investment portfolio. Neither the Pension Committee nor the Administrator shall be liable for the acts of the investment counselor or counselors except insofar as they have violated a general fiduciary duty in selecting such counselor or counselors.

13.3 Merger or Consolidation

In the case of merger or consolidation with another Plan, each participant shall be entitled to receive a benefit after merger or consolidation which is at least equal to the value of the benefit he/she would have been entitled to receive before such merger or consolidation.

13.4 Right to Change or Discontinue

It is intended that the Plan will continue indefinitely, but the Pension Committee reserves the right to change, modify, amend or discontinue the Plan at any time. In the event the Plan is partially or fully terminated, the rights of the affected participants shall be nonforfeitable to the extent funded. If the Plan is terminated by action of the Pension Committee, all assets of the Plan remaining after all expenses incurred in terminating or administering the Plan have been paid will be used for the benefit of Participants, retired Participants or their contingent annuitants.

13.5 Inalienability

(a) In General: No Participants or any other person having or claiming to have any interest in any kind or character in or under this Plan or in the Trust Fund or any part thereof or payment therefrom will have any right to sell, assign, transfer, convey, hypothecate, anticipate, or otherwise dispose of such interest, and such interest will not be subject to any liabilities or obligations of, or any bankruptcy proceedings, claims of creditors, attachment, garnishment, execution, levy or other legal process against such person or his/her property. Any interest of any kind or character in or under this Plan or in the Trust Fund or any part thereof or payment therefrom shall not be subject in any manner or voluntary transfer or transfer by operation of law or otherwise, and shall be exempt from claims of creditors or other claimants and from the claims of creditors of other claimants and from all orders, garnishments, executions, or other legal or equitable process or proceeding to the fullest extent permissible by law.

(b) Qualified Domestic Relations Orders

(1) The right of a Spouse of any Participant shall be limited to a community property share of the pension actually received by a Participant, after such receipt, and to rights as the designated Beneficiary of a Participant, or other right expressly provided in this Plan. Except as provided in a Qualified Domestic Relations Order (described below), no pension, prospective pension, right, or interest of a Participant shall be subject to any order, decree, execution, or other legal or equitable process or proceeding for the benefit of such Spouse directed to the Trust Fund.

(2) Effective May 1, 1985, the Pension Committee will comply with a Qualified Domestic Relations Order (court judgment, decree, or order) as defined in Section 414(p) of the Internal Revenue Code. The Pension Committee shall establish and maintain rules of status of Domestic Relations Orders and for administering distributions under such Qualified Orders.

13.6 Facility of Payment

If any Participant, retired Participant, or contingent annuitant eligible to receive payments under the Plan is, in the opinion of the Pension Committee, legally, physically or mentally incapable or personally receiving and receipting for any payment under this Plan, the Pension Committee may direct payment to such other person, persons, or institution who, in the opinion of the Pension Committee, are then maintaining or have custody of such payee, until claim is made by a duly appointed guardian or other legal representative of such payee. Such payments will constitute a full discharge of the liability of the Plan to the extent thereof.

13.7 Contributions

(a) Employer Contributions: All benefits provided by the Plan will be financed entirely by the Employer contributions and earnings thereon, which are specified in the pension agreements between each Employer and the Union.

(b) Procedure (Effective January 1, 1985): Each contribution by an Employer to the Fund shall be made promptly to the custodian designated by the Pension Committee of the Pension Fund, and in any event on or before the 15th day of the calendar month in which such contribution becomes due and payable, on which date such contribution, if not then paid in full, shall become delinquent. Employer payments shall be accompanied by complete reports on forms approved by the Pension Committee of the Fund. The Employer may be compelled by the Pension Committee or their assignee by way of subpoena, civil discovery, or other proceeding to prepare and file with the Fund proper reports for any period for which the Employer has previously failed to file.

(c) Liquidated Damages (Effective August 1, 1995):

(1) The Pension Committee finds that the regular and prompt payment of employer contributions to the Fund is essential to the maintenance of the Pension Plan, and that it is extremely difficult, if not impossible, to fix the actual expense to the Plan resulting from the failure of an individual Employer to pay monthly contributions in full within the time provided. Therefore it is agreed that the amount of damage resulting from such failure shall be, by way of liquidated damages and not as a penalty, the greatest of a) \$200, b) ten percent (10%) of the amount due and unpaid, or c) the amount of liquidated damages provided in the applicable Collective Bargaining Agreement. Such liquidated damages shall become due and payable to the Plan on the day immediately following the day on which the Employer became delinquent. In addition, all delinquent contributions and liquidated damages shall bear interest at the rate of 10% per annum, from the date each was due, until paid. The Employer shall remain liable for the payment of all liquidated damages and interest, even if it makes full payment of the delinquent fringe benefit contributions, unless it receives a waiver of these sums from the Board of Trustees or authorized subcommittee thereof.

(2) It is further agreed that, if the Pension Committee files a legal action to collect unpaid contributions, unpaid liquidated damages or unpaid interest, the liquidated damages for any contributions still unpaid on the date the legal action is filed shall be increased to 20% of the contributions which are due and unpaid. For any late contribution to be deemed paid prior to the filing of a legal action, the Plan must have received cash, a cashier's check, a certified check, or a money order, or in the case of an ordinary check, must have actually received payment into the Plan's account from the Employer's bank, by the end of the last business day before the day on which the lawsuit is filed.

(d) Audits and Delinquent Accounts: The Pension Committee shall have the authority to establish procedures for the collection of delinquent accounts and shall have the power to order an audit of the payroll and other relevant records of participating employers on a random basis or in cases where a question may exist as to the accuracy of an employer's contribution reports or an employer's failure to make such reports. The Fund shall bear the cost of such audit for de minimis errors, but if a discrepancy is ten percent (10%) above what the employer has indicated is owing or has paid and/or reported, the employer shall pay the entire cost of the audit. The Pension Committee and Trustees shall have the power to designate the City and County of San Francisco as the specific place of venue for bringing actions to enforce collection of benefit contributions and liquidated damages owed to the Fund.

(e) In circumstances where the Pension Committee find it necessary to resort to legal action or other collection procedures, the delinquent employer shall be additionally liable without limitation for court costs, arbitration fees, costs or fees of collection agents, interest, and auditing fees, together with all reasonable

attorneys' fees and reasonable compensation for employees or agents of the Fund incurred in connection therewith.

13.8 Protection of Pension Committee and/or Trustees

(a) The provisions of this Section are subject to and qualified by the provisions of ERISA to the extent that such provisions are constitutionally applicable. In order to induce experienced, competent and qualified person and entities to serve as fiduciaries to deal with the Fund, the Pension Committee and the Board of Trustees, and to participate in other ways in the administration and operation of the Fund and the Plan and thus to further the interests of the Participants and beneficiaries of the Plan, it is the intent and purpose of the parties to provide herein for the maximum permissible protection and indemnification of such persons or entities from and against personal liability, less, cost or expense as a result of such service, dealing or participation, and the provisions of this Section shall be liberally construed and applied to accomplish this objective.

Except as otherwise provided in the paragraph immediately below, upon request of a Trustee or former Trustee and Pension Committee member or former Pension Committee member, the Board of Trustees shall provide for the defense of any civil action or proceeding brought against him, in his/her individual capacity or in all, on account of any act or omission in the scope of his/her service or duties as a pension committee member and trustee of the fund. For the purposes of this paragraph, a cross-action, counterclaim, cross-complaint or administrative or arbitration proceeding against a Pension Committee Member and Trustee shall be deemed to be a civil action or proceeding brought against him/her.

(b) Criminal Action: The Board of Trustees may provide for the defense of a criminal action brought against a Pension Committee Member and Trustee if:

- (1) The criminal action or proceeding is brought on account of an act or omission in the scope of his/her services or duties as a Pension Committee Member and Trustee, and
- (2) The Board determines that such defense would be in the best interests of the fund and its Participants and Beneficiaries, and that the Pension Committee Member and Trustee acted, or failed to act, in good faith, without actual malice and in the apparent interest of the Fund and its Participants and Beneficiaries.

(c) Civil Action: The Board of Trustees may refuse to provide for the defense of a civil action or proceeding brought against a Pension Committee Member and Trustee if the Board determines that:

- (1) The act or omission was not within the scope of his/her service or duties as a Pension Committee Member and Trustee of the Fund;

- (2) He/she acted or failed to act because of willful misconduct or gross negligence, or
- (3) The defense of the action or proceeding by the Board would create a conflict of interest between the Board or Fund and the Pension Committee Member or Trustee.

(d) The Board may provide for a defense pursuant to this Section by Fund counsel or co-counsel or by employing other counsel for such purpose or by purchasing insurance which requires that the insurer provide the defense. All of the expenses of providing a defense pursuant to this Section are proper charges against the Fund. The Fund shall have no right to recover such expenses from the Pension Committee Member and Trustee.

(e) If after request the Board fails or refuses to provide a Pension Committee Member and Trustee with a defense against a civil action or proceeding brought against him/her and the Pension Committee Member and Trustee retains his/her own counsel to defend the action or proceeding, he/she shall be entitled to recover from the Fund such reasonable attorneys' fees, costs and expenses as are necessarily incurred by him/her in defending the action or proceeding if the action or proceeding arose out of an act or omission in the scope of his/her service or duties as a pension committee member and trustee of the Fund, unless the Board establishes that he/she acted or failed to act because of wilful misconduct or gross negligence.

13.9 Admission of New Groups

The Pension Committee may extend the benefits of this Plan. Admission, however, shall be allowed only after actuarial computations have been made and the Pension Committee is satisfied that the admission of a new group shall not adversely affect the soundness of the Plan with respect to the existing Participants in the Plan. Before the admission of any new group, however, the Pension Committee shall specify in writing the effective date on which such group will become covered under this Plan, and enumerate all conditions that are different from those set forth in this Plan as then in effect. The admission of any new group will be subject to a majority vote of the Pension Committee.

13.10 Withdrawal Liability

(a) In General: Upon complete or partial withdrawal from the Plan, an Employer shall pay and all withdrawal liability as set forth in ERISA and the regulations promulgated thereunder by the Pension Benefit Guarantee Corporation (PBGC) or satisfy alternative regulations.

(b) Arbitration of Withdrawal Liability Disputes:

(1) Under Section 4221 of ERISA, disputes between an employer and the Plan sponsor of a multi-employer Plan concerning the Plan sponsor's determination of the employer's withdrawal liability under Sections 4201 through 4219 and Section 4225 shall be resolved through arbitration proceedings conducted in accordance with regulations promulgated by the PBGC. The Pension Committee hereby incorporates by reference the Multiemployer Pension Plan Arbitration Rules sponsored by the International Foundation of Employee Benefit Plans, administered by the American Arbitration Association (AAA), and approved by the Pension Benefit Guaranty Corporation as then in effect.

(2) A party initiating arbitration shall give notice to the other party of its intention to arbitrate under the rules of the AAA and shall file two copies of the notice with the Association setting forth a brief description of the dispute, the amount of money involved, if any, and the remedy sought. The remainder of the process is subject to the rules of the AAA.

(3) The issues subject to arbitration may include but are not limited to the following:

- (A) the determination of whether a withdrawal--complete or partial--has occurred;
- (B) the amount of the employer's liability;
- (C) the schedule of withdrawal liability payments, and
- (D) the reasonableness of actuarial assumptions in the aggregate or whether a significant error was made in applying the actuarial assumptions or methods.

(4) The selection of the arbitrator under the rules is made by the parties within 45 days after the arbitration is initiated or within such other period as is mutually agreed upon after the initiation of arbitration. Other time limits under the regulations may be waived or extended by mutual agreement of the parties.

(5) The Pension Fund office will provide any party to arbitration of withdrawal liability with a copy of the AAA rules.

13.11 Applicable Law

This Plan shall be construed, regulated and administered under ERISA, wherever applicable, or otherwise the laws of the State of California.

SECTION 14 - RECIPROCITY WITH MANAGEMENT - LOCAL 831 PENSION PLAN

14.1 Pursuant to the Agreement of October 9, 1969, the Sign, Pictorial and Display Industry Pension Plan and the Management Local 831 Pension Plan extend reciprocal and/or portability benefits to eligible members. Under said Agreement, an employee, transferring from one Plan to the other and satisfying the conditions set forth below, shall be entitled to add together the amounts of unbroken service or Continuous Employment (hereinafter Aggregated Continuous Employment) and Credited Service (hereinafter Aggregated Credit Service) which the employee shall have accrued under each of the separate Plans for the purpose of establishing his/her eligibility for benefits (but not the amount thereof) under the Plan in which he/she shall have participated in last.

The name, address and telephone number of the Management Local 831 Pension Plan is set forth below:

Los Angeles County Painting Industry Trust Funds
9650 Flair Drive, Suite 600
El Monte, CA 91731
(626) 442-5554

14.2 Aggregated Credited Service and Aggregated Continuous Employment shall be granted an employee of the following conditions all shall have been met as respects his/her transfer of participation from one Plan to the other and his/her employment thereafter:

- (a) The employee's Transfer Period shall not have exceeded 12 consecutive months;
- (b) The employee shall have completed at least three years of Continuous Employment or Aggregated Continuous Employment and shall have accrued at least 4000 Covered Hours of Employment prior to the date his Transfer Period commenced.
- (c) The employee's Continuous Employment shall not have been broken, in accordance with the terms of the Plan to which he/she transferred, prior to his/her application for any benefits to which he/she is entitled thereunder;
- (d) The employee shall have assumed responsibility for insuring that the Administrator of the Plan to which he/she transferred shall have been notified in writing, within 6 consecutive months of the end of his/her Transfer Period, of his prior participation in the related Plan; and
- (e) If the employee applies for benefits under the Plan to which he/she transferred, his last 500 Covered Hours shall have been accumulated thereunder.

14.3 "Transfer Period" as respects a transferred employee shall mean the period which shall have elapsed between the first day of the month next following the month in which his last Covered Hour of Employment shall have occurred under the Plan from which he/she transferred to the first day of the month in which his/her first Covered Hour of Employment shall have occurred under the Plan to which he/she transferred.

14.4 The Pension Committee of the Sign Industry Plan and the Local 831 Plan shall carry out, coordinate and, when necessary, interpret the reciprocity provisions set forth herein. The Administrators of the separate Plans shall be responsible for implementing the reciprocity provisions and the decisions and interpretations of the Pension Committee and shall be responsible for the exchange of information necessary to effectuate the terms and intent of this Reciprocity Agreement. In amplification of this responsibility, but not by way of limitation, in the event that an employee having Continuous Employment and Credited Service under each Plan shall be entitled to a benefit under the Plan in which he/she shall participate last, the Administrator of such Plan shall notify the other Administrator as respects such items as the employee's name, Social Security Number, sex, address, birth date, spouse, if living, the type of benefit payable and the date of first payment. Similar information shall be exchanged when an Administrator has been notified by an employee of his prior participation in the related Plan and when such an employee's Continuous Employment shall be broken under the Plan in which he/she shall participate last.

14.5 An employee's Aggregated Continuous Employment and his Aggregated Credited Service shall be used in determining his/her eligibility for benefits under the Plan in which he/she shall participate last. If the employee shall be eligible for a benefit thereunder, he/she shall also be presumed to qualify for such a benefit under the related Plan; provided that such benefit is available under the related Plan. However, the amount of such benefit payable from each Plan shall be based upon the benefit level and the employee's Credited Service thereunder.

14.6 Each Plan shall maintain its own records and shall have no responsibility or liability for the benefits payable under the related Plan.

14.7 The actual amount of Credited Service in each Plan shall be separately calculated once eligibility is determined and a separate benefit shall be paid to the retiree by each Plan. Under this Reciprocity Agreement, the Trustees of each Plan will direct the Administrator for each Plan to provide a system by which employees' Aggregated Credited Service and Aggregated Continuous Employment may be coordinated and accurately recorded.

14.8 The reciprocity agreement may be terminated by one of the parties only upon six months' written notice directed to the other party. Notwithstanding the foregoing, any provision hereof which is found to endanger either Plan with respect to being a qualified or exempt trust under the Internal Revenue Code or the

California Revenue and Taxation Code shall be immediately amended so as to maintain qualified and exempt status.

SECTION 15 - PARTIAL PENSIONS

15.1 Purpose

Partial Pensions are provided under this Plan for employees who would otherwise lack sufficient service credit to be eligible for any pension because their years of employment were divided between different pension plans or, if eligible, whose pensions would be less than the full amount because of such division of employment. To provide such partial pensions, this Plan is signatory to the "Reciprocal Agreement for Joint Industry Pension Funds of all District Councils and Local Unions Affiliated with the International Brotherhood of Painters and Allied Trades." Wherever referred to in this Article, "signatory plans" shall mean plans that are signatory to that Agreement.

15.2 Recognized Pension Credits

For purposes of this Plan, the term "pension credits" shall mean those periods of service during which credit is granted for benefit accrual purposes. Pension credits shall not necessarily cover periods for which a plan grants credit for vesting purposes under ERISA. Pension credits accumulated and maintained by an employee under this plan shall be recognized by the other signatory plans. Pension credits under each plan shall be based on the rules in effect in that plan at the time the employment occurred.

15.3 Total Pension Credit

The pension credit granted under this plan and the other signatory plans together comprise the employees total pension credit. In no case will more than one year of pension credit be counted for any twelve consecutive calendar months.

15.4 Combined Service Credit

If an employee has, in a calendar year, worked under two or more plans and accumulated fractional years of pension credit which together add up to more than one year of credit for that calendar year, then the pension credit recognized under all plans shall be limited to one year. Pension credit will first be counted under the plan to provide the highest benefit level. The other plan(s) shall count as pension credit the necessary fractional year(s), in a declining benefit level order, which will bring the total to exactly one year of pension credit for the employee.

15.5 Eligibility

An employee shall be eligible for a partial pension under this Plan if he/she satisfies all of the following requirements:

- (a) He/she would be eligible for any type of pension under this plan if his/her total pension credit were treated as service under this plan; and
- (b) He/she has, under each of the signatory plans in which he/she has credited service, at least one year of pension credit; and
- (c) In the case of an employee applying for a pension based on disability, he/she is able to meet the definition of disability in this Plan; and
- (d) In the case of an employee applying for a pension based on age, he/she meets the minimum age requirement in this plan.

15.6 Breaks in Service

In applying the rules of this Plan with respect to cancellation of pension credit, any pension credit earned during a period in which the employee worked in the jurisdiction of another signatory plan, shall be considered in determining whether there has been a permanent break in service. However, once an employee has left the coverage of all the signatory plans, the determination as to whether he/she has a permanent break in service under each signatory plan shall be determined by each Plan based solely on the vesting service earned under that Plan, not on the combined pension credit.

15.7 Election of Pensions

If an employee is eligible for more than one type of pension under this Plan, he/she shall be entitled to elect the type of pension he/she is to receive.

15.8 Partial Pension Amount

The amount of the Partial Pension payable under this Plan for which an employee qualifies shall be the benefit amount he/she accrued under this Plan during the period he/she earned the pension credit.

15.9 Payment of Partial Pensions

The payment of a Partial Pension shall be subject to all of the conditions contained in this Plan applicable to other types of pensions.

15.10 Other Benefits

The obligation of each of the signatory plans is limited to pension benefits, including survivor's pensions after retirement payable as a result of election of a husband and wife pension or guaranteed period payments. This "partial pensions" provision shall not apply to any pre-retirement death or survivors benefits. Other benefits provided by any of the Plans, after retirement, such lump sum death benefits, level income or lump sum options, health benefits, etc. are not covered by this provision. However, nothing in this provision shall prohibit any plan(s) from providing such benefits in accordance with its own rules and regulations.

15.11 Benefit Increases

If an employee leaves the jurisdiction of one of the signatory plans and the benefit level in that plan is later increased, benefits from that plan shall be computed at the benefit level in effect at the time the employee last earned pension credits under that Plan.

15.12 Application Procedure

The Plan under which an employee first makes application for the benefits shall initiate the processing of a partial pension with the other signatory plans based upon information supplied by the employee as to where he/she worked. Each Plan agrees to provide the other plans with complete data, certified by an authorized administrator or Plan employee, in order to process partial pensions promptly.

APPENDIX I

APPENDIX II

APPENDIX III

GUIDE TO ACTUARIAL REDUCTION TABLES

The tables in Appendices II and III state the actuarial reduction factors applicable to the 50% Joint Pension and 100% Contingent Annuitant Benefit. Those factors vary with your age and your spouse's age, based on average life expectancies for retirements at those ages.

How to read the tables

1. To find the actuarial reduction factor for your pension, find the table in the Appendix which applies to the form of benefit you are selecting.
2. Look across the top or bottom of the table to find your age on your pension effective date.
3. Read up or down the column to the row with your spouse's age on your pension effective date.

That number is the factor which is multiplied by your Normal Retirement Benefit (adjusted by an early retirement factor, if applicable) to determine your actual monthly benefit for benefits accrued after May 1, 1990. Benefits accrued before May 1, 1990 are not subject to actuarial reduction for the Joint Pension.

Examples of How to Calculate Actuarial Reduction

1. Let's say you are age 65 at your pension effective date, your spouse is also 65, and you are selecting the Joint Pension (i.e., the 50% Joint and Survivor Annuity). You would use the table in Appendix II. Your reduction factor for benefits earned after May 1, 1990 is .9047. Let's say that your Normal Retirement Benefit is \$900, of which \$100 was earned after May 1, 1990. Your actuarially adjusted benefit would be:

Earned before May 1, 1990 (unreduced)	\$800.00
<u>Earned May 1, 1990 or after (\$100 x .9047)</u>	<u>\$ 90.47</u>
Adjusted monthly benefit, Joint portion	\$890.47
Adjusted monthly benefit, 50% Survivor portion	\$445.24

2. Let's say that everything in Example 1 is true, except you have selected the 100% Contingent Annuitant Benefit with your spouse as your survivor. You would use the table in Appendix III. Your actuarial reduction factor is .8310. Your adjusted monthly benefit will be your Normal Retirement Benefit of \$900 x .831, or \$747.90. That monthly benefit will be paid for as long as you live, and then without any additional reduction for as long as your spouse lives.

SIGN, PICTORIAL AND DISPLAY INDUSTRY PENSION PLAN

PART III: SUPPLEMENTARY INFORMATION

BASIC PLAN INFORMATION

The formal name of this Plan is the Sign, Pictorial and Display Industry Pension Plan. The Plan is sponsored and administered by a joint labor-management Board of Trustees consisting of equal numbers of Trustees representing labor and management. The Trust Fund's federal EIN is 94-6278490, and the Plan is No. 001. The Plan Year extends from May 1 of each year through April 30 of the following year. The Plan is a defined benefit plan, which is covered by plan termination insurance provisions of the Employee Retirement Income Security, as amended ("ERISA").

The Plan is maintained under Collective Bargaining Agreements between Sign Industry Local No. 510 and Glaziers Local No. 1610 of the International Brotherhood of Painters and Allied Trades, and numerous employers in the Sign, Pictorial and Display Industry. Copies of these collective bargaining agreements may be obtained upon written request to the Administration Office or to the Local Union. A complete list of unions and employers is available upon written request to the Administration Office, and is available for inspection by participants and beneficiaries upon request and reasonable notice. A participant or beneficiary may also request whether a particular employer or union is a sponsor of the Plans, and if so, its address.

The Plan is funded entirely by employer contributions, which are fixed by the Collective Bargaining Agreements at certain rates per hour for each hour worked by covered employees of participating individual employers. The rates are subject to negotiation by the parties and may change from time to time as they may agree. If all contributions to the Plan permanently cease, the Plan shall be deemed terminated, and the Board of Trustees shall administer it in accordance with ERISA Section 4041A. The assets of the Plan are held in trust by Union Bank of California, and are managed by Loomis, Sayles, & Co., Alliance Bernstein, Amalgamated Bank of New York, and Janus Capital Management.

The Plan is administered by the Board of Trustees, with the assistance of a contract administrator, Allied Administrators ("the Administration Office"). The address of the Board of Trustees and of the Administration Office is:

Sign, Pictorial and Display Industry Pension Plan
c/o Allied Administrators
633 Battery Street, 2nd floor
San Francisco, CA 94111
(mail: P.O. Box 2500
San Francisco, CA 94126)
Telephone: (415) 986-6276

The following are the names and addresses of the members of the Board of Trustees and of the professionals who assist them.

BOARD OF TRUSTEES

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San Francisco, CA 94126)
(415) 398-2655

Legal process on the Plan may be served on Legal Counsel, or upon any of the Trustees at the Administration Office or at his or her place of business.

STATEMENT OF ERISA RIGHTS

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

Receive Information About Your Plan and Benefits

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

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

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

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

Prudent Actions by Plan Fiduciaries

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

Enforce Your Rights

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

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court; however, your right to sue may be limited by the court if you have failed to exhaust your plan appeal rights. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with 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, which is the San Francisco Regional Office, 71 Stevenson Street, Suite 915, P.O. Box 190250, San Francisco, CA 94105 (415) 975-4600, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

BENEFIT GUARANTEE INFORMATION

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

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

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

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

APPENDIX I

**Sign, Pictorial and Display Industry Pension Plan
Actuarial Reduction Factors for Early Retirement Benefits (7.0% Interest, UP-84 Mortality)
Based on Plan Changes made Effective as of January 1, 1991**

-- Age --		Reduction Factor
Yrs	Mos	
55	0	50.00%
	1	50.40%
	2	50.79%
	3	51.19%
	4	51.58%
	5	51.98%
	6	52.38%
	7	52.77%
	8	53.17%
	9	53.56%
	10	53.96%
	11	54.36%

-- Age --		Reduction Factor
Yrs	Mos	
57	0	60.24%
	1	60.76%
	2	61.27%
	3	61.78%
	4	62.29%
	5	62.81%
	6	63.32%
	7	63.83%
	8	64.35%
	9	64.86%
	10	65.37%
	11	65.89%

-- Age --		Reduction Factor
Yrs	Mos	
59	0	73.33%
	1	73.98%
	2	74.63%
	3	75.28%
	4	75.93%
	5	76.58%
	6	77.23%
	7	77.88%
	8	78.53%
	9	79.18%
	10	79.83%
	11	80.49%

-- Age --		Reduction Factor
Yrs	Mos	
61	0	89.97%
	1	90.81%
	2	91.64%
	3	92.48%
	4	93.31%
	5	94.15%
	6	94.99%
	7	95.82%
	8	96.66%
	9	97.49%
	10	98.33%
	11	99.16%

-- Age --		Reduction Factor
Yrs	Mos	
56	0	54.75%
	1	55.21%
	2	55.67%
	3	56.13%
	4	56.58%
	5	57.04%
	6	57.50%
	7	57.95%
	8	58.41%
	9	58.87%
	10	59.33%
	11	59.78%

-- Age --		Reduction Factor
Yrs	Mos	
58	0	66.40%
	1	66.98%
	2	67.55%
	3	68.13%
	4	68.71%
	5	69.29%
	6	69.86%
	7	70.44%
	8	71.02%
	9	71.59%
	10	72.17%
	11	72.75%

-- Age --		Reduction Factor
Yrs	Mos	
60	0	81.14%
	1	81.87%
	2	82.61%
	3	83.35%
	4	84.08%
	5	84.82%
	6	85.55%
	7	86.29%
	8	87.03%
	9	87.76%
	10	88.50%
	11	89.24%

-- Age --		Reduction Factor
Yrs	Mos	
62	0	100.00%
Thereafter		100.00%

APPENDIX II

Sign, Pictorial and Display Industry Pension Plan

Theoretical Actuarial Reduction Factors for the 50% Joint-and-Survivor Annuity
(based on the UP-84 Mortality Table and using 7.00% interest)

Spouse \ Pensioner Age → →																	
Age		55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70
■	55	.9330	.9274	.9213	.9148	.9079	.9004	.8925	.8841	.8753	.8659	.8560	.8457	.8349	.8237	.8120	.7996
▼	56	.9359	.9304	.9245	.9182	.9114	.9042	.8965	.8883	.8796	.8704	.8607	.8506	.8400	.8289	.8173	.8051
	57	.9388	.9334	.9277	.9216	.9150	.9080	.9005	.8925	.8840	.8750	.8655	.8555	.8451	.8342	.8228	.8107
	58	.9416	.9365	.9309	.9250	.9186	.9118	.9045	.8967	.8884	.8796	.8703	.8605	.8503	.8396	.8284	.8165
	59	.9444	.9395	.9341	.9284	.9222	.9156	.9085	.9009	.8928	.8842	.8752	.8656	.8556	.8451	.8341	.8224
	60	.9472	.9424	.9373	.9317	.9258	.9194	.9125	.9051	.8973	.8889	.8801	.8708	.8610	.8507	.8399	.8284
	61	.9499	.9453	.9404	.9351	.9293	.9232	.9165	.9094	.9017	.8936	.8850	.8759	.8664	.8564	.8458	.8345
	62	.9526	.9482	.9435	.9384	.9329	.9269	.9205	.9136	.9062	.8983	.8900	.8811	.8718	.8621	.8517	.8407
	63	.9552	.9510	.9465	.9416	.9363	.9306	.9244	.9178	.9106	.9030	.8949	.8863	.8773	.8678	.8577	.8469
	64	.9578	.9538	.9495	.9448	.9397	.9342	.9283	.9219	.9150	.9077	.8998	.8915	.8828	.8735	.8637	.8532
	65	.9603	.9565	.9524	.9479	.9431	.9378	.9321	.9260	.9194	.9123	.9047	.8967	.8882	.8792	.8697	.8595
	66	.9627	.9591	.9552	.9510	.9463	.9413	.9359	.9300	.9237	.9168	.9096	.9018	.8936	.8849	.8757	.8658
	67	.9650	.9616	.9579	.9539	.9495	.9447	.9395	.9339	.9278	.9213	.9143	.9069	.8990	.8906	.8816	.8720
	68	.9673	.9641	.9606	.9568	.9526	.9481	.9431	.9378	.9320	.9257	.9190	.9119	.9043	.8962	.8875	.8782
	69	.9695	.9665	.9632	.9595	.9556	.9513	.9466	.9415	.9360	.9300	.9236	.9168	.9095	.9017	.8934	.8844
	70	.9716	.9687	.9656	.9622	.9585	.9545	.9500	.9452	.9399	.9343	.9281	.9216	.9146	.9072	.8992	.8906

APPENDIX III

Sign, Pictorial and Display Industry Pension Plan

Theoretical Actuarial Reduction Factors for the 100% Joint-and-Survivor Annuity
(based on the UP-84 Mortality Table and using 7.00% interest)

Spouse \ Pensioner Age → →																
Age	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70
■ 55	.8790	.8695	.8593	.8486	.8372	.8253	.8128	.7996	.7858	.7715	.7566	.7413	.7255	.7094	.6930	.6761
▼ 56	.8838	.8745	.8646	.8541	.8430	.8313	.8189	.8059	.7923	.7782	.7635	.7483	.7326	.7166	.7003	.6834
57	.8886	.8795	.8699	.8596	.8488	.8373	.8252	.8124	.7990	.7850	.7705	.7555	.7400	.7241	.7078	.6911
58	.8934	.8846	.8752	.8652	.8546	.8434	.8315	.8190	.8058	.7920	.7777	.7628	.7475	.7318	.7156	.6989
59	.8982	.8896	.8805	.8708	.8605	.8495	.8379	.8256	.8127	.7992	.7850	.7704	.7552	.7396	.7236	.7071
60	.9029	.8947	.8858	.8764	.8663	.8557	.8443	.8323	.8197	.8064	.7925	.7780	.7631	.7477	.7318	.7154
61	.9076	.8996	.8911	.8820	.8722	.8618	.8508	.8391	.8267	.8137	.8001	.7858	.7711	.7559	.7402	.7240
62	.9122	.9046	.8964	.8875	.8781	.8680	.8573	.8459	.8338	.8211	.8077	.7938	.7793	.7643	.7488	.7327
63	.9168	.9095	.9015	.8930	.8839	.8742	.8638	.8527	.8409	.8285	.8154	.8018	.7875	.7728	.7576	.7417
64	.9213	.9143	.9067	.8985	.8897	.8803	.8702	.8595	.8480	.8359	.8232	.8098	.7959	.7814	.7664	.7508
65	.9257	.9190	.9117	.9038	.8954	.8863	.8766	.8662	.8551	.8434	.8310	.8179	.8043	.7901	.7754	.7601
66	.9300	.9236	.9166	.9091	.9010	.8923	.8829	.8729	.8622	.8508	.8387	.8260	.8127	.7989	.7845	.7694
67	.9342	.9281	.9214	.9143	.9065	.8981	.8892	.8795	.8691	.8581	.8465	.8341	.8212	.8077	.7936	.7789
68	.9382	.9324	.9261	.9193	.9119	.9039	.8953	.8860	.8760	.8654	.8541	.8422	.8296	.8165	.8028	.7883
69	.9422	.9367	.9307	.9242	.9171	.9095	.9013	.8924	.8828	.8726	.8617	.8502	.8380	.8252	.8119	.7978
70	.9460	.9408	.9351	.9289	.9222	.9150	.9071	.8986	.8895	.8797	.8692	.8581	.8463	.8340	.8210	.8074