

## **Automotive Industries Pension Trust Fund**

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January 1, 2017

Dear Plan Participant:

We are pleased to present you with a summary plan description booklet (SPD) that provides important information concerning your participation in the Pension Plan of the Automotive Industries Pension Trust Fund.

The Pension Plan was established with the goal of providing a steady stream of retirement benefits to eligible retiring Participants. Its benefits are supplemented by those payable from the Individual Account Plan of the Automotive Industries Individual Account Trust Fund. Together with Social Security, these Plans provide a measure of financial security for you and your family upon your retirement. The Pension Plan also provides benefits in the event of your death or disability before retirement.

This booklet summarizes the most important provisions of the Pension Plan. As such, it does not address every provision of the Plan. In all cases, the actual Plan rules and regulations contained in a document referred to as the "Plan document" govern the administration of the Pension Plan. Should there be any detail not covered in this summary or if there is any conflict between information in this summary and the Plan document, the latter shall govern. You may view a copy of the Plan document at the Fund Office located at the address shown above. You may also request a copy of the rules and regulation by making a request through the Fund Office and paying for any printing costs.

If the Plan is amended after this SPD is printed, you will receive a summary of material modifications (SMM) that explains relevant changes to the Plan. You should keep any such SMMs with this SPD booklet so that you have up to date information concerning your Plan.

We urge you to share this booklet with your family and keep it for future reference. It contains information that will play an important part in your plans for retirement.

If you have any particular questions about the Plan or your rights to benefits under this Plan, you should write to the Fund Office for an explanation. You should understand, however, that only the Board of Trustees can interpret or change the terms of the Plan and that this authority cannot be delegated to the staff of the Fund Office, the Union or any employer contributing to this Plan.

If you have any questions, the staff of the Fund Office will be happy to answer them.

Sincerely,

BOARD OF TRUSTEES

## **IMPORTANT**

This explanation of the Pension Plan is no more than a brief and very general statement of the most important provisions of the Pension Plan. No general statement such as this can adequately reflect all of the details of the Plan. Nothing in this statement is meant to interpret or extend or change in any way the provisions expressed in the Plan itself. The rights of a Participant or Beneficiary can only be determined by consulting the rules and regulations of the Pension Plan.

As a courtesy to you, the Fund Office may respond informally to your oral questions by telephone or in person at the Fund Office. However, these oral answers are not binding upon the Board of Trustees and cannot be relied on in any dispute concerning your benefits.

ONLY THE FULL BOARD OF TRUSTEES IS AUTHORIZED TO INTERPRET THE PLAN OF BENEFITS DESCRIBED IN THIS BOOKLET. THE BOARD OF TRUSTEES HAS BROAD DISCRETION TO DETERMINE ELIGIBILITY AND OTHERWISE INTERPRET THE PLAN. THE TRUSTEES' DECISION WILL BE GIVEN JUDICIAL DEFERENCE TO THE EXTENT THAT THEY DO NOT CONSTITUTE AN ABUSE OF DISCRETION.

NO EMPLOYER OR UNION, NOR ANY REPRESENTATIVE OF ANY EMPLOYER OR UNION, IS AUTHORIZED TO INTERPRET THE PLAN – NOR CAN SUCH PERSON ACT AS AN AGENT OF THE BOARD OF TRUSTEES. ANY QUESTIONS YOU HAVE CAN BE DIRECTED TO THE STAFF AT THE FUND OFFICE WHO WILL PRESENT YOUR QUESTIONS TO THE BOARD.

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## PENSION PLAN TERMS AND DEFINITIONS

The following are general definitions of some of the terms used in the Pension Plan. By reviewing these definitions, you will better understand the rules that pertain to the pension benefits provided by the Automotive Industries Pension Trust (sometimes referred to in this booklet simply as the “Plan”). The actual Plan rules and regulations (“Plan document”) contains the official definitions used when administering the Plan and some may be more detailed than what appears below. When defined terms appear in this booklet, they are generally capitalized so that you can recognize them as words that have special meaning.

- **“Actuarial Equivalent”** means two benefits of equal actuarial present value based on the actuarial factors and assumptions specified for the provision in which that term is used. Different factors and assumptions are used for different purposes of the Plan and are set forth in more detail in Article XI of the Plan.
- **“Covered Service”** means employment performed by an Employee for which Employer Contributions are required to be made on the Employee’s behalf pursuant to the terms of a Pension Agreement
- **“Dependent”** means (1) a surviving spouse, or if none (2) surviving children under the age of eighteen and surviving children age eighteen and older if the Participant was furnishing at least half the cost of that person’s support immediately prior to the Participant’s death, or if none (3) surviving parents, surviving brothers/sisters if the Participant was furnishing at least half the cost of such persons’ support immediately prior to the Participant’s death.
- **“Employee”** refers to a person on whose behalf an Individual Employer is required to make Employer Contributions to the Trust Fund for work covered under a Pension Agreement. In addition to Employees who are actively working in Covered Service, there are also **“Former Employees”** and **“Retired Employees.”**
- **“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended from time to time and the regulations thereunder.
- **“Individual Employer”** means any association, individual partnership, joint venture, trust, or corporation which has a Pension Agreement in effect and is a party to the Trust Agreement.
- **“Month of Covered Service”** means a calendar month during which an Employee completes one or more hours of Covered Service.
- **“Normal Retirement Age”** means the later of age 65 or the date that the Participant reaches the fifth anniversary of the date he commenced participation in the Plan.
- **“Participant”** means any Employee, Former Employee or Retired Employee who is participating in the Plan and who is or may become eligible to receive a benefit under the Plan or whose spouse or Dependents may become entitled to a benefit under the Plan.

- **"Pension Agreement"** means any written agreement by any Individual Employer, including collective bargaining agreements and amendments and addenda thereto and subscriber agreements and stipulations thereunder, which provides for contributions, as set forth in the Trust Agreement, by such Individual Employer to the Trust Fund. Any Pension Agreement shall be subject to approval by the Trustees.
- **"Plan"** means the Automotive Industries Pension Plan.
- **"Plan Year"** refers to the twelve consecutive month period from January 1 through December 31 that serves as the Plan's fiscal year. For the purpose of ERISA regulations, the Plan Year also serves as the vesting computation period, benefit accrual computation period and after the initial period of employment, the computation period for eligibility to participate in the Plan.



## **SPECIAL RULES CONCERNING PARTICIPANTS WHO ARE SUBJECT TO PROVISIONS OF THE REHABILITATION PLAN**

The passage of the Pension Protection Act (PPA) in 2006 and the more recent Multiemployer Pension Reform Act of 2014 (MPRA) have resulted in a number of significant changes to the laws and rules governing the operation of retirement plans. The funded status (relationship between plan assets, ongoing and expected future employer contributions, investment returns, payment of current pension benefits, as well as those expected to be paid in the future) of multiemployer defined benefit plans, such as the Automotive Industries Pension Plan, are required to be certified annually by an actuary. Based on criteria specified under PPA and MPRA, plans are certified as being in one of four funding zones – critical (sometimes called the “red zone”), critical and declining (sometimes called “deep red”), endangered (sometimes called the “yellow zone”) or neither critical nor endangered (sometimes called the “green zone”).

Plans certified as being either endangered, critical or critical and declining must adopt a funding improvement plan (endangered plans) or a rehabilitation plan (critical plans or critical and declining plans). Both funding improvement and rehabilitation plans are designed to improve the financial health of the plan by presenting the collective bargaining parties with one or more “schedules” – each consisting of increased employer contributions, benefit reductions or a combination of the two. In the case of a funding improvement plan, the benefit reductions only apply to prospective service. In contrast, a rehabilitation plan may reduce or eliminate any benefit that the Internal Revenue Code defines as an “adjustable benefit.” Employer collective bargaining agreements entered into or renewed after the adoption of the schedules must contain the terms consistent with one of the schedules or a designated default schedule is automatically imposed on the employer and its employees. Funding statuses are certified annually and, if necessary, funding improvement or rehabilitation plans updated as needed.

Under MPRA, a plan that has been certified to be in critical and declining status and is projected to become insolvent may be able to adopt certain reductions to accrued benefits, subject to various requirements and limitations, if the plan has taken all other reasonable measures to avoid insolvency and the reductions are projected to prevent insolvency. In order for the plan sponsor of a critical and declining status plan to adopt any accrued benefit reductions, they must be approved by the Department of the Treasury (“Treasury”) in consultation with the Department of Labor and the Pension Benefit Guaranty Corporation (“PBGC”), and ratified by a vote of the plan’s participants and beneficiaries. MPRA also provides that a plan in critical and declining status that cannot be projected to avoid insolvency with these reductions may be able to make further plan design changes.

### **CERTIFICATION OF CRITICAL STATUS AND THE ADOPTION OF A REHABILITATION PLAN**

The Automotive Industries Pension Plan has been in critical status since the January 1, 2008 Plan Year. As required under law, each Plan Year following its certification, the Plan has sent Notices of Critical Status to Participants and other interested parties.

In March 2008, the Trustees adopted the initial Rehabilitation Plan consisting of a single default schedule. Participants, the Union and Individual Employers were notified of specific contribution rate increases and benefit changes called for under the schedule. Since then, the Rehabilitation Plan has been reviewed annually and updated as needed. Benefits under both the pre-Rehabilitation Plan and Rehabilitation Plan default schedule are described in this booklet. In general, the benefits of Participants who retired prior to July 1, 2008 are not affected by the terms of the rehabilitation plan.

In March 2015, the Plan's actuary certified it to be in critical and declining status. As of the printing of this booklet, no additional changes have been made to the Plan.

## **PARTICIPATING IN THE PLAN**

In order to be eligible to participate in the Plan, you must work for an Individual Employer in a position that requires Employer Contributions to be made to the Automotive Industries Pension Trust Fund on your behalf under terms of a Pension Agreement (usually a collective bargaining agreement). You first become a Plan Participant as of the first day of the month in which an Employer Contribution is required to be made on your behalf to the Pension Trust Fund.

You cease being a Plan Participant at the end of any Plan Year (January 1 – December 31) in which you incur a One-Year Break in Service (see page 11), unless you are Vested (see page 10) or receiving a pension from the Plan. You again become a Participant by returning to work for an Individual Employer and having an Employer Contribution made on your behalf to the Pension Trust Fund.

## **HOW WORKING TIME COUNTS – EARNING CREDITED SERVICE**

Your time worked in Covered Service is measured by the amount of your earned Credited Service. Credited Service is used to determine whether you are Vested, are eligible for certain benefits, such as Normal, Unreduced, Rule of 85, Early or Disability Retirement Benefits, as well as being used to calculate certain portions of your Accrued Benefit.

### **CREDITED PAST SERVICE**

Credited Past Service is based on work performed in classifications and the geographic area later covered by Pension Agreements providing for contributions to the Fund. However, it is performed during a time prior to when contributions were first required to be made on your behalf. You earn a quarter of a Year of Credited Past Service for each calendar quarter in which any such employment was performed with four quarters equaling a Year of Credited Past Service.

Earning Credited Past Service is subject to limitations including the following:

- (1) If you first became a Participant prior to January 1, 1975, Credited Past Service is limited to the 20-year period preceding the date that the first contribution to the Plan was required to be made on your behalf.
- (2) If you first became a Participant on or after January 1, 1975, Credited Past Service is limited to the 10-year period preceding the date that the first contribution to the Plan was required to be made on your behalf. Furthermore, if you first became a Participant on or after January 1, 1979, the number of your Years of Credited Past Service also cannot exceed the number of your Years of Credited Future Service.
- (3) If you first became a Participant on or after January 1, 1978, no Credited Past Service is granted for any calendar quarter in which you earned benefits under any other pension plan.
- (4) If you first became a Participant on or after June 1, 1992 and are employed by an Individual Employer that initially contributes on behalf of 100 or more Employees with an average age of 40 or less and who make an election to do so, the following rules apply instead of those in (2) above:
  - (a) If you earned at least two Years of Credited Future Service, your Credited Past Service shall include work with that Individual Employer during the five-year period preceding the date that the first contribution to the Plan by that Individual Employer was required to be made on your behalf.
  - (b) If you did not earn at least two Years of Credited Future Service, no Credited Past Service is granted.
- (5) Your Credited Past Service is cancelled if your Employer withdraws from contributing to the Plan and avoids withdrawal liability under ERISA and the rules of the Plan's Trust Agreement.

## **CREDITED FUTURE SERVICE**

The basis for earning Credited Future Service depends on whether it is based on work performed before or after January 1, 1976.

### **Work Performed Prior to January 1, 1976**

You earn Credited Future Service based on the total number of monthly payments made to the Fund by all of your Individual Employers between September 1, 1955 and January 1, 1976 (excluding payments in excess of one in a calendar month or twelve monthly payments in a calendar year) divided by 12. The Plan will recognize fractional years, but will not grant less than 1/12 of a year.

### **Work Performed On or After January 1, 1976**

You earn a Month of Covered Service for any calendar month in which you complete at least one hour of Covered Service. You earned a Year of Credited Future Service if you have at least 5 Months of Covered Service, but receive no fractional Year of Credited Future Service for less than 5 Months of Covered Service.

## **OTHER TYPES OF CREDITED SERVICE**

### **Related Non-Covered Service**

Related Non-Covered Service is employment for an Individual Employer that is not considered Covered Service (i.e., it is work as a non-bargained employee) that immediately follows or precedes Covered Service (there is no quit, discharge or retirement) with that same Employer. While Related Non-Covered Service does not add to the amount of your pension benefit, it is counted when determining whether you are Vested.

### **Related Credited Service**

Related Credited Service is Credited Service granted for work performed under the jurisdiction of a Related Plan. It is intended for Participants who might not otherwise qualify for a pension or whose pension might not be the full amount because of employment divided between a number of Related Plans. The Automotive Industries Pension Trust Fund will look at your combined Related Credited Service from all Related Plans to determine your eligibility for its pension benefits. However, the amount of your Automotive Industries Pension Plan benefit is based solely on your service with the Automotive Industries Pension Plan.

The Automotive Industries Pension Trust Fund recognizes the following pension plans as Related Plans:

- IAM National Pension Fund
- Automotive Machinists Pension Trust Fund
- Pacific Coast Shipyards Pension Fund

You are eligible for the use of Related Pension Credit if:

- (1) You would be eligible for a Normal, Unreduced Early Retirement or Disability Benefit under this Plan if your Combined Service Credit from all Related Plans were treated as Credited Service under the Automotive Industries Pension Plan; and
- (2) You have at least two Years of Credited Future Service under the Automotive Industries Pension Plan.

Related Credited Service under a particular Related Plan is only recognized if you retire under the Automotive Industries Pension Plan and the Related Plan after the Board of Trustees have adopted a resolution recognizing the other plan as a Related Plan.

Related Credited Service is also taken into account in determining whether you have incurred a Permanent Break in Service.

**Helpful Suggestion:** The Fund Office is not automatically provided with information concerning your work under a Related Plan. Therefore, you should keep records connected to your work under a Related Plan and should contact the Fund Office if you believe that you are eligible for Related Credited Service.

### **Unrelated Credited Service**

The Board of Trustees may by resolution apply Related Credited Service rules to your work of the type covered collective bargaining agreements requiring contributions to the Automotive Industries Pension Trust Fund, but performed under a collective bargaining agreement connected to another labor-management jointly negotiated pension plan provided that your work was performed in the geographic area of the following thirteen Western States:

<b>Thirteen Western States</b>			
Alaska	Hawaii	New Mexico	Wyoming
Arizona	Idaho	Oregon	
California	Montana	Utah	
Colorado	Nevada	Washington	

### **CREDIT FOR UNIFORMED (MILITARY) SERVICE**

If you leave the employ of an Individual Employer and your absence from Covered Service is due to being in Qualified Military Service, you will receive Credited Service and benefit accruals for that period (up to a maximum of five years of Qualified Military Service), subject to the conditions described in this section. You will also not incur any One-Year Breaks in service for this period.

### **Qualified Military Service**

Qualified Military Service means any service in the Uniformed Services of the United States by any individual if such individual is entitled to reemployment rights with respect to such service under the Uniformed Services Employment and Reemployment Right Act (USERRA).

Uniformed Service refers to service in:

- The Armed Forces (Army, Navy, Marine Corps, Air Force or Coast Guard)\
- The Army National Guard and the Air National Guard when engaged in active duty for training, inactive duty for training, or full-time National Guard duty;
- The commissioned corps of the Public Health Service; and
- Any other category of persons designated by the President of the United States in time of war or emergency.

### **Years of Credited Service for Vesting and Eligibility**

You will be credited with 190 Hours of Service towards earning Credited Service for each month or partial month during which you are engaged in Qualified Military Service.

### **Benefit Accruals**

You will be entitled to benefit accruals (based on Credited Service and/or Employer Contributions) for Qualified Military Service only for periods during which your Employer has a collective bargaining agreement requiring Employer Contributions to the Plan for its other Employees. They will be based on:

- (1) The job that you were employed in immediately prior to entering Qualified Military Service, and
- (2) The rate you would have received, except for the fact that you are engaged in Qualified Military Service, and under the same conditions that benefits were accrued for other similarly-situated employees during the period of Qualified Military Service.

If the determination of such information is not reasonably certain, it will instead be based on your average pay rate, hours, or compensation during the 12-month period immediately preceding your Qualified Military Service (or, if shorter, the period of employment immediately preceding your Qualified Military Service).

### **Advance Notice and Return to Work Requirements**

In order to qualify for credits under this section, you must provide advance notice to your Employer prior to leaving to enter Qualified Military Service. Upon the conclusion of your Qualified Military Service, your discharge from military service must be under honorable conditions and you must return to Covered Service within the reemployment period prescribed by federal law (see chart below).

<b>Length of Military Service</b>	<b>Return to Covered Service Deadline</b>
Less than 31 days	Within 1 day after discharge (allowing travel time plus 8 hours)
31 through 180 days	Within 14 days after discharge
181 days or more	Within 90 days after discharge

## **VESTING**

Once you are Vested, you are entitled to a future pension benefit from this Plan – even if you stop working in Covered Service and do not return prior to retiring. In other words, you cannot incur a Permanent Break in Service that would otherwise cause you to lose your previously earned Credited Service or benefit accruals. The different ways in which you become Vested are described below.

### **VESTING BASED ON 5 YEARS OF CREDITED SERVICE**

You are Vested if you have at least five Years of Credited Service (of which at least 24 months is Credited Future Service) provided you also satisfy one of the following conditions:

- (1) You have earned more than one Hour of Service on or after January 1, 1997, or
- (2) If your accrued benefit is not based on work under a Pension Agreement and you have at least one Hour of Service on or after January 1, 1989.

### **VESTING BASED ON 10 YEARS OF CREDITED SERVICE**

If you do not satisfy the “5-year vesting rule” above, you are Vested if you have at least 10 Years of Credited Service (of which at least 24 months is Credited Future Service).

### **VESTING BASED ON ATTAINING NORMAL RETIREMENT AGE**

You are also considered fully Vested when you attain your Normal Retirement Age. Your Normal Retirement Age is the later of:

- (1) The date that you attain age 65; or
- (2) The date that you reach the fifth anniversary of the date that you commenced participating in the Plan provided that you are a Participant on or after that date. Note that anniversaries of participation occurring prior to a Permanent Break in Service are not counted.

### **GRADED VESTING**

If you do not satisfy the “5-year or 10-year vesting” rules, but have at least 24 months of Credited Future Service, you become partially vested based on the following schedule:

<b>Credited Service</b>	<b>Vested Percentage</b>
5 Years	50%
6 Years	60%
7 Years	70%
8 Years	80%
9 Years	90%
10 Years	100%



## BREAKS IN SERVICE

### ONE YEAR BREAK IN SERVICE

You incur a One-Year Break in Service on December 31 of any Plan Year (January 1 – December 31) in which you do not have either at least (1) five Months of Covered Service, or (2) 501 Hours of Service that may include both Covered Service and Related Non-Covered Service. If you are not Vested and have a number of consecutive One Year Breaks in Service, they may add up to a Permanent Break in Service causing you to lose all of your previously earned Years of Credited Service, years of participation and accrued benefits.

#### Grace Periods that Prevent a One Year Break in Service

There are five exceptions where your absence from Covered Service will not be counted when determining whether you have incurred a One-Year Break in Service.

- (1) Absence Due to Parental Leave – If your absence from Covered Service is due to your pregnancy or the birth, adoption or care of your infant, the Plan will grant you up to 501 Hours of Service to prevent a One-Year Break(s) in Service from occurring.
- (2) Absence Due to Disability – Your absence from Covered Service is due to a disability that incapacitates you from engaging in Covered Service.
- (3) Absence Due To Performing Other Work in the Automotive Industry – You work for an Individual Employer that otherwise contributes to the Plan, but in a job that does not qualify for Employer Contributions to be made to the Plan.
- (4) Absence Due to Work Under a Related Plan – Your absence from Covered Service in this Plan is due to work covered under a Related Plan.
- (5) Absence Due To Being In Uniformed Service – Periods of Qualified Military Service are not counted when determining if a One-Year Break(s) in Service occurs. You also receive Credited Service and benefit accruals during such period (see page 8).

In order to receive a grace period, you must provide documentation to the Fund Office that your absence was due to one of the reasons described below. You should do this as early as possible because it often becomes difficult, if not impossible, as time goes on to find personal records or records from outside agencies to support your claim.

#### One Year Break in Service and Benefit Freeze

Benefits earned prior to a One-Year Break in Service are subject to the Plan rules in effect at the time of the One Year Break in Service. This means that if a Plan improvement is adopted after a One Year Break in Service, the improvement may not apply to benefits earned prior to the Break in Service. At the same time, this “freezing of benefit rules” does not prevent the Plan from applying changes – including the reduction or elimination of adjustable benefits – that may be required under the provisions of any adopted rehabilitation plan.

## PERMANENT BREAKS IN SERVICE

Once you attain Vested status, you have a nonforfeitable right to your accrued benefit at Normal Retirement Age. This means that you cannot incur a Permanent Break in Service and lose any previously earned Years of Credited Service, years of participation or accrued benefits – even if you cease working in Covered Service and do not return. However, if you are not Vested consecutive One Year Breaks in Service may lead to a Permanent Break in Service. Benefits and service lost due to a Permanent Break in Service cannot be restored. If you are partially vested and incur a Permanent Break in Service, then you lost the non-vested portion of your benefit at the time of the Permanent Break in Service.

One Year Breaks in Service only lead to a Permanent Break in Service if they are consecutive. One Year Breaks in Service stop being “consecutive” if you return to Covered Service before incurring a Permanent Break in Service and (1) again become a Plan Participant (see page 5) and (2) earn either five Months of Covered Service, or have at least 501 Hours of Service.

Different Permanent Break in Service rules apply to different time periods.

### Permanent Break in Service Prior to January 1, 1986

You incur a Permanent Break in Service after prior to January 1, 1986 if before becoming Vested the number of consecutive One-Year Breaks in Service equals or exceeds the number of your previously earned Years of Credited Service (not counting any Credited Service earned prior to a previous Permanent Break in Service).

**For example:** Assume that you earned four Years of Credited Service followed by four consecutive Plan Years in which have a One Year Break in Service. Until you incur the fourth consecutive One Year Break in Service, it remains possible to keep your previously accumulated prior service and benefits. However, they are lost when you incur a Permanent Break in Service at the end of fourth consecutive Plan Year.

Year	Participant Earns	Years of Credited Service	Break in Service Years
1	Five Months of Covered Service	1	0
2	Five Months of Covered Service	2	0
3	Five Months of Covered Service	3	0
4	Five Months of Covered Service	4	0
5	Less than Five Months of Covered Service and 501 Hours of Service	4	1
6	Less than Five Months of Covered Service and 501 Hours of Service	4	2
7	Less than Five Months of Covered Service and 501 Hours of Service	4	3
8	Less than Five Months of Covered Service and 501 Hours of Service	0	Permanent Break in Service

### Permanent Break in Service on or after January 1, 1986

You incur a Permanent Break in Service on or after January 1, 1986 if you have five consecutive One-Year Breaks in Service.

**For Example:** Assume that you have earned four Years of Credited Service. Then you have four consecutive One Year Breaks in Service. Unlike the prior pre-January 1, 1986 example, you do not incur a Permanent Break in Service at the end of the fourth consecutive Plan Credit Year. You, instead, incur a Permanent Break in Service at the end of the fifth consecutive Plan Credit Year.

<b>Year</b>	<b>Participant Earns</b>	<b>Years of Credited Service</b>	<b>Break in Service Years</b>
1	Five Months of Covered Service	1	0
2	Five Months of Covered Service	2	0
3	Five Months of Covered Service	3	0
4	Five Months of Covered Service	4	0
5	Less than Five Months of Covered Service and 501 Hours of Service	4	1
6	Less than Five Months of Covered Service and 501 Hours of Service	4	2
7	Less than Five Months of Covered Service and 501 Hours of Service	4	3
8	Less than Five Months of Covered Service and 501 Hours of Service	4	4
9	Less than Five Months of Covered Service and 501 Hours of Service	0	5 Permanent Break in Service occurs

Please note that at the time that you incur a Permanent Break in Service, you lose any non-vested benefit at that time. For example, if you are 60% vested, then you lose the 40% non-vested portion of your benefit at the time that you incur the Permanent Break in Service.

## TYPES OF PENSIONS – ELIGIBILITY AND BENEFIT AMOUNTS

This section describes the eligibility rules and calculation of benefits under each of the Plan's available pensions. In addition to meeting the requirements for a pension, you must also:

- (1) **Be retired.** Generally, you cannot receive a pension and continue working in Covered Service or in the Automotive Industry. The specific rules describing the conditions of "retirement" begin on page 35 (Suspension of Benefits); and
- (2) **File an application in advance of the date that you want your pension to become effective.** Pension forms and instructions can be obtained by contacting the Fund Office.

### NORMAL RETIREMENT BENEFIT

#### Eligibility

You are eligible for a Normal Retirement Benefit on the first of the month following the later of the date that:

- (1) You attain of age 65, or
- (2) You earn 5 Years of Credited Service (with at least 24 Months of Credited Service)

You are also eligible for a Normal Retirement Benefit if you have attained your Normal Retirement Age (see page 10).

#### Amount

Your Normal Retirement Benefit is the sum of the following multiplied by his Vested Percentage (see page 10):

- **Credited Past Service** – \$10.00 for each Year of Credited Past Service; plus
- **For work on or after September 1, 1955 and before July 1, 2003** – \$5.00 for each \$100.00 in monthly Employer contributions made on your behalf, but not less than \$10.00 per Year of Credited Future Service; plus
- **For work on or after July 1, 2003 and before January 1, 2005** – \$3.00 for each \$100.00 in monthly Employer contributions made on your behalf, but not less than \$10.00 per Year of Credited Future Service; plus

For work before January 1, 2005, the benefit for twelve months of Credited Future Service shall not be less than that for a full year of Credited Past Service.

**(1) For work on or after January 1 2005 and before July 1, 2008 –**

- (a) \$.50 for each \$100.00 of the portion of monthly Employer contributions less than or equal to \$250.00; plus
- (b) \$1.00 for each \$100.00 of the portion of monthly Employer contributions greater than \$250.00, but less than or equal to \$500.00; plus
- (c) \$2.00 for each \$100.00 of the portion of monthly Employer contributions greater than \$500.00.

**(2) For work on or after July 1, 2008 – \$1.00 for each \$100.00 of monthly Employer contributions made on your behalf.**

“Off-benefit” contributions earmarked to improve the funding of the Plan are not included in the calculation of accrued benefits.

Here is a general example of how a Normal Retirement Benefit is calculated. Please note that Participant’s work history and circumstances is different and your Normal Retirement Benefit could be substantially higher or lower than the amount shown in the example.

Year	Months	Credited Service (Vesting)	Contributions	Percentage Factor	Accrued Benefit
1995	4	—	\$683.52	5.0%	\$34.18
1996	12	1.000	\$2252.80	5.0%	\$112.64
1997	12	1.000	\$2435.28	5.0%	\$121.76
1998	11	1.000	\$2232.79	5.0%	\$111.64
1999	12	1.000	\$3038.34	5.0%	\$151.92
2000	12	1.000	\$3346.67	5.0%	\$167.33
2001	12	1.000	\$3692.56	5.0%	\$184.63
2002	11	1.000	\$4120.48	5.0%	\$206.02
2003	4	1.000	\$1023.36	5.0%	\$51.17
	6		\$2536.26	3.0%	\$76.09
2004	12	1.000	\$5330.79	3.0%	\$159.92
2005	9	1.000	\$1589.92	0.5%	\$7.95
			\$1121.37	1.0%	\$11.21
			\$101.52	2.0%	\$2.03
2006	6	1.000	\$1376.40	0.5%	\$6.88
			\$957.84	1.0%	\$9.58
			\$244.32	2.0%	\$4.89
2007	12	1.000	\$3000.00	0.5%	\$15.00
			\$2426.88	1.0%	\$24.27
			\$374.88	2.0%	\$7.50
2008	12	1.000	\$1500.00	0.5%	\$7.50
			\$1288.80	1.0%	\$12.89
			\$553.92	2.0%	\$11.08
2009	12	1.000	\$7345.60	1.0%	\$73.46
2010	5	1.000	\$2725.21	1.0%	\$27.25

Year	Months	Credited Service (Vesting)	Contributions	Percentage Factor	Accrued Benefit
2011	12	1.000	\$7305.28	1.0%	\$73.05
2012	12	1.000	\$7143.17	1.0%	\$71.43
2013	12	1.000	\$7126.96	1.0%	\$71.27
2014	12	1.000	\$6978.72	1.0%	\$69.79
2015	12	1.000	\$6558.82	1.0%	\$65.59
2016	12	1.000	\$1832.56	1.0%	\$18.33
Total	227	20.00	\$95868.78	—	\$2004.49

### **Delaying Payment of Your Normal Retirement Benefit**

You are not required to retire at Normal Retirement Age (in most cases age 65). If you delay payment of your pension beyond Normal Retirement Age, you may be entitled to retroactive pension payments either in the form of a one-time lump sum or an actuarially increased benefit. Any lump sum payment or actuarial increase will not include benefits for periods during which you are working in the Automotive Industry and engaged in what is “suspendible employment” (see page 36). Any benefits that would have been paid to you for those periods are forfeited. However, if your work in the Automotive Industry is in Covered Service with an Individual Employer that is required to make contributions on your behalf under the terms of a Pension Agreement, you will earn additional pension benefits on the same basis as any other active Participant.

As you approach Normal Retirement Age and if you are not yet retired, the Fund Office will send you a notice reminding you of the above rules.

### **Pension Benefits Must Begin By Your Required Beginning Date**

Regardless of whether you continue to work or not, payment of your pension must begin no later than your Required Beginning Date. Your Required Beginning Date is the April 1 following the calendar year in which you attain age 70 ½.

In addition to being a Plan rule, the failure to have your pension paid to you by that date may expose you to significant tax penalties. Therefore, if you are not already retired and collecting your pension, you should contact the Fund Office in advance of your 70<sup>th</sup> birthday so that arrangements can be made to start your pension before this deadline.

After your Required Beginning Date, you may continue to both work and receive your Normal Retirement Benefit. If your work is in Covered Service, you will continue to earn benefits under the Plan. However, the amount of any such benefit accruals will be offset by the actuarial value of pension payments received for periods during which your pension would have been subject to suspension if not for you having attained your Required Beginning Date. These will be added to your pension payments sometime following the close of the Plan Year in which they are earned.

## UNREDUCED RETIREMENT BENEFIT

*As of the printing of this booklet, the Unreduced Retirement Benefit is not available to Participants whose benefits are subject to the terms of the Rehabilitation Plan*

### Eligibility

You are eligible for an Unreduced Retirement Benefit the first of the month following the later of: the date that you attain age 62 and have at least five Years of Credited Service.

### Amount

Your Unreduced Early Retirement Benefit is calculated in the same way as a Normal Retirement Benefit (see page 14)

## UNREDUCED RETIREMENT BENEFIT – “RULE OF 85 RETIREMENT BENEFIT”

*As of the printing of this booklet, the Rule of 85 Retirement Benefit is not available to Participants whose benefits are subject to the terms of the Rehabilitation Plan.*

### Eligibility

You are eligible for a Rule of 85 Retirement Benefit the first of the month following the date that the sum of your age plus your Years of Credited Future Service (Credited Past Service is not counted) total 85.

### Amount

The Rule of 85 Retirement Benefit is calculated in the same way as a Normal Retirement Benefit.

## EARLY RETIREMENT BENEFIT

As of the printing of this booklet, the availability of the Early Retirement Benefit and, if available, how it is calculated is based on which of the following categories you fall under:

<b>Your benefits are not subject to the Rehabilitation Plan</b>	
The availability of the Early Retirement Benefit and how it is calculated are based on the pre-Rehabilitation Plan rules.	
<b>Your benefits are subject to the Rehabilitation Plan and...</b>	
You retired between January 1, 2011 and January 1, 2015 <u>and</u> earned at least five Months of Covered Service or worked 501 Hours of Service in the calendar year ending December 31, 2010 and in each Plan Year thereafter prior to your retirement–	The Early Retirement Benefit is available to you, but is calculated differently than if your benefits were not subject to the terms of the Rehabilitation Plan.

<p>You retired between January 1, 2011 and January 1, 2015 <u>and have</u> not earned at least five Months of Covered Service or worked 501 Hours of Service in the calendar year ending on December 31, 2010 or in any Plan Year prior to your retirement.</p>	<p>The Early Retirement Benefit <u>is not</u> available to you and you must wait until age 65 to receive your pension as a Normal Retirement Benefit.</p>
<p>You retired on or after January 1, 2015 and do not have a One-Year Break in Service in any Plan Year ending on December 31, 2010 or in any Plan Year prior to your retirement. <i>Note that there are exceptions to the One-Year Break in Service based on disability, serving in the armed forces of the United States or employment in the automotive industry in an ineligible job classification for coverage under the Plan.</i></p>	<p>The Early Retirement Benefit is available to you, but is calculated differently than if your benefits were not subject to the terms of the Rehabilitation Plan.</p>
<p>You retired on or after January 1, 2015 and have a One-Year Break in Service in any Plan Year ending on December 31, 2010 or in any Plan Year prior to your retirement. <i>Note that there are exceptions to the One-Year Break in Service based on disability, serving in the armed forces of the United States or employment in the automotive industry in an ineligible job classification for coverage under the Plan.</i></p>	<p>The Early Retirement Benefit <u>is not</u> available to you and you must wait until age 65 to receive your pension as a Normal Retirement Benefit.</p>

### **Eligibility if the Early Retirement Benefit is Available to You**

You are eligible for an Early Retirement Benefit on the first of the month following the later of the date that you reach 55 and have at least 60 Months of Credited Future Service.

### **Amount – If you are not subject to the Rehabilitation Plan**

Calculation of your Early Retirement Benefit starts with the amount of your benefit that would have been payable to you as a Normal Retirement Benefit (see page 14). This amount is reduced by ¼ of 1% for each month (or 3% per year) that you are younger than age 62.

**Example:** If you were entitled to a Normal Retirement Benefit of \$1,000.00 per month, here is what your monthly benefit would be at selected ages younger than age 62.

Age at Retirement	Monthly Benefit
62	\$1,000.00
61	\$970.00
60	\$940.00
59	\$910.00
58	\$880.00
57	\$850.00
56	\$820.00
55	\$790.00

### **Amount – If you are subject to the Rehabilitation Plan and have not incurred a One-Year Break in Service on or after plan year ending December 31, 2010 or any full Plan Year thereafter prior to your effective date of retirement**



The amount of your Early Retirement Benefit will be your Normal Retirement Benefit reduced on a true actuarial equivalent basis for ages younger than age 65.

**Example:** If you were entitled to a Normal Retirement Benefit of \$1,000.00 per month, here is what your monthly benefit would be at selected ages younger than age 65.

Age at Retirement	Monthly Benefit
65	\$1,000.00
64	\$896.80
63	\$806.70
62	\$727.60
61	\$658.00
60	\$596.50
59	\$542.00
58	\$493.60
57	\$450.40
56	\$411.70
55	\$377.10

## DISABILITY RETIREMENT BENEFIT

*As of the printing of this booklet, the Disability Retirement Benefit is not available to Participants whose benefits are subject to the terms of the Rehabilitation Plan. However, Participants currently receiving Disability Retirement Benefits continue to do so, unless they recover from their disabling condition and are no longer considered Totally Disabled. The availability of any new Disability Retirement Benefit to a Participant whose Disability Retirement Benefit previously ceased will be based on the terms of the Plan (including any Rehabilitation Plan) in effect when he or she again becomes disabled.*

### Eligibility

You are eligible for a Disability Retirement Benefit if you are Totally Disabled and you:

- (1) Have not yet attained age 62; and
- (2) Have at least five Years of Credited Service; and
- (3) Your disability occurred and originated while you were employed by an Individual Employer prior to that Employer ceasing to be required to make contributions on your behalf to the Plan or within twelve months of that Employer ceasing to be required to make such contributions.

If you are receiving a Disability Retirement Benefit, you will continue to do so provided that you remain Totally Disabled.

## **“Total Disability” Defined**

“Total Disability” means a total disability as determined by the Social Security Administration for purposes of eligibility for Title II disability benefits. Total Disability shall cease on the earlier of:

- (1) The last day of the month determined by the Social Security Administration to be the last month in which you are disabled, or
- (2) The last day of the month in which the Participant returns to substantial gainful employment. The Trustees may at any time, or from time to time, require evidence of continued entitlement to a Social Security Disability Benefit as a condition for continuing to pay a Disability Retirement Benefit.

## **Amount**

Your Disability Retirement Benefit is calculated in the same way as a Normal Retirement Benefit.

## HOW YOUR PENSION WILL BE PAID TO YOU – CHOOSING A PAYMENT OPTION

You may have your retirement benefit paid to you under one of the payment forms described in this section. With the exception of the automatic cashout payment form for small benefit amounts, each option provides you with monthly benefit payments for your lifetime. Some provide survivor benefits beyond your death to your spouse or eligible Dependents. The availability of certain payment forms and how they are calculated may depend on whether or not your benefits are subject to the Rehabilitation Plan. The rules that pertain to each payment form are described in this section.

### LIFETIME ANNUITY WITH NO MINIMUM GUARANTEE OF PAYMENTS

*As of the printing of this booklet, for Participants whose benefits are subject to the terms of the Rehabilitation Plan, the Lifetime Annuity does not include any minimum guarantee of payments. If your benefit is not subject to the terms of the Rehabilitation Plan and you wish to elect a lifetime annuity form of payment, that payment form will include either a 36- (at no cost to you) or 120-month guarantee of payments feature. Additional details are described in the next section of this booklet.*

The Lifetime Annuity is the automatic form of payment if you are single and are subject to the Rehabilitation Plan. It provides monthly payments of your retirement benefit to you for as long as you live with no further benefits payable to anyone following your death. Since there are no survivor benefits, the monthly amount calculated for the pension type that you have applied for is not reduced for this payment form.

**For married Participants:** You may also elect this payment form if you are married. However, both you and your spouse must waive payment under the Plan's Automatic Joint and Survivor Annuity payment form. The rules for electing a payment form and waiving the Automatic Joint and Survivor Annuity are described under the section entitled "Applying for Retirement Benefits" (see page 30).

### LIFETIME ANNUITY WITH EITHER A 36-MONTH OR 120-MONTH MINIMUM GUARANTEE OF PAYMENTS

*As of the printing of this booklet, the Lifetime Annuity with either the 36- or 120-month guarantee of payments features is only available to Participants whose benefits are not subject to the terms of the Rehabilitation Plan. If your benefit is subject to the terms of the Rehabilitation Plan, the Lifetime Annuity does not include any minimum guarantee of payments (see above).*

These Lifetime Annuity payment forms provide monthly payments of your retirement benefit to you for as long as you live. If you die prior to receiving the specified minimum number of guaranteed payments (either 36 or 120 months), the remaining number of monthly payments in the guarantee period will continue to be made to your surviving Dependents in the following order:

- (1) Your surviving spouse, or if none;
- (2) Your surviving children under the age of eighteen and surviving children age eighteen or older if you were furnishing at least half the cost of that person's support immediately prior to your death; or if none
- (3) Your surviving parents, surviving brothers and surviving sisters if you were furnishing at least half the cost of his/her/their support immediately prior to your death.

No further monthly payments will be made to anyone if you either (a) have already received the minimum number of guaranteed payments or (b) are not survived by your spouse or any of the eligible Dependents described above.

### **Amount of Life Annuity with 36-Month Minimum Guarantee of Payments**

The amount of whichever retirement benefit you have applied for is not reduced under this payment form.

### **Amount of Life Annuity with 120-Month Minimum Guarantee of Payments**

The amount of whichever retirement benefit you have applied for is reduced under this payment form using actuarial factors. Here is a sample of adjustment factors for Participants ages 55 to 65:

<b>Age</b>	<b>Factor</b>
55	0.9683
56	0.9648
57	0.9609
58	0.9567
59	0.9519
60	0.9467
61	0.9409
62	0.9346
63	0.9278
64	0.9204
65	0.9124

**Example:** A 65 year old Participant with a \$1,000.00 per month benefit payable as a Life Annuity with a 36-month guarantee (no reduction) instead elects a Life Annuity with a 120-month guarantee. He will receive \$912.40 per month for the rest of his life.

**For married participants:** You may also elect either of the above two Life Annuity payment form if you are married. However, in order to do so, both you and your spouse must waive payment under the Plan's Automatic Joint and Survivor Annuity payment form. The rules for electing a payment form and waiving the Automatic Joint and Survivor Annuity are described under the section entitled "Applying for Retirement Benefits" (see page 30).

## AUTOMATIC JOINT AND SURVIVOR ANNUITY

*As of the printing of this booklet, different rules and factors apply to the Automatic Joint and Survivor Annuity depending on whether your benefits are subject to the terms of the Rehabilitation Plan. The differences are described below.*

The Automatic Joint and Survivor Annuity is the automatic form of payment if you are married. It provides you with a reduced monthly benefit for your lifetime. If you are survived by your eligible spouse, 50% of the reduced amount then continues to be paid to your spouse for the rest of his or her life.

In order to be your “eligible surviving spouse” under any of the Joint and Survivor Annuity payment forms described in this section, your spouse must have been married to you on your benefit commencement date and for at least one year at the time of your death.

### **Benefit Adjustment if Your Benefit is not Subject to the Rehabilitation Plan**

Since your pension benefit is potentially payable over the course of two lifetimes, your monthly benefit is adjusted as described below. If you are predeceased by your eligible spouse, your benefit will “pop-up” to the amount that would have been payable to you had the Automatic Joint and Survivor Benefit not been elected. The pop-up is effective beginning the month after your spouse’s death and the higher benefit is then payable for the rest of your life.

#### **For Normal, Unreduced (including Rule of 85) and Early Retirement Pensions**

If you and your spouse are the same age, the adjustment factor is 95%. The factor will be decreased by 0.3% for each full year that your spouse is younger than you are or increased by 0.3% for each full year that your spouse is older than you, up to a maximum factor of 99%.

#### **For Disability Retirement Pension**

If you and your spouse are the same age, the adjustment factor is 85%. The factor will be decreased by 0.3% for each full year that your spouse is younger than you or increased by 0.3% for each full year that your spouse is older than you, up to a maximum factor of 99%.

### **Benefit Adjustment if Your Benefit is Subject to the Rehabilitation Plan**

Under the Rehabilitation Plan, the adjustment for the Automatic Joint and Survivor Annuity is not based on the relative age difference between you and your spouse, but on your actual ages on your benefit commencement date. Also, there is no “pop-up” feature, so the amount of your monthly pension remains unchanged if you are predeceased by your spouse.

**For example:** Under the pre-Rehabilitation Plan formula, the percentage adjustment would be the same if the Participant and spouse were the same age whether it be age 55, 60 or 65 for example. Under the Rehabilitation Plan, it does make a difference as to what their actual ages are. The chart below gives some examples comparing the two formulas based on a \$1,000.00 monthly benefit.

	<b>PRIOR FORMULA</b>			<b>NEW FORMULA</b>		
	<ul style="list-style-type: none"> <li>Adjustment to participant's benefit based on difference in age between participant and spouse.</li> <li>Benefit has "pop-up" feature if participant predeceased by spouse.</li> </ul>			<ul style="list-style-type: none"> <li>Adjustment to participant's benefit based on actual ages of participant and spouse.</li> <li>Benefit does not have a "pop-up" feature if participant predeceased by spouse.</li> </ul>		
Ages of Participant and Spouse	Participant's Benefit While Both Participant and Spouse are Alive	Spouse's Survivor Benefit if Predeceased by Participant	Participant's Benefit if Predeceased by Spouse	Participant's Benefit While Both Participant and Spouse are Alive	Spouse's Survivor Benefit if Predeceased by Participant	Participant's Benefit if Predeceased by Spouse
Both age 55	\$950.00	\$475.00	\$1,000.00	\$907.70	\$453.85	\$907.70
Both age 60	\$950.00	\$475.00	\$1,000.00	\$889.00	\$444.50	\$889.00
Both age 62	\$950.00	\$475.00	\$1,000.00	\$880.90	\$440.45	\$880.90
Both age 65	\$950.00	\$475.00	\$1,000.00	\$868.60	\$434.30	\$868.60

### **Waiver of the Automatic Joint and Survivor Annuity**

You may waive the Automatic Joint and Survivor Annuity in favor of the 75% Joint and Survivor Option, Full Joint and Survivor Option (100%) or one of the available Lifetime Annuity payment forms. However, in order to do so, your spouse must also consent to the waiver of the Automatic Joint and Survivor Annuity and the election of one of the other available payment forms. The rules for electing a payment form and waiving the Automatic Joint and Survivor Annuity are described under the section entitled "Applying for Retirement Benefits" (see page 30).

### **FULL (100%) JOINT AND SURVIVOR OPTION**

*As of the printing of this booklet, the Full Joint and Survivor Option is not available if your benefits are subject to the terms of the Rehabilitation Plan.*

The Full (100%) Joint and Survivor Option operates in a similar fashion to the Automatic Joint and Survivor Annuity payment form, except that the continuation benefit to your spouse will be 100% and the reduction in your retirement benefit will be proportionately larger than under the Automatic Joint and Survivor Annuity.

As with the Automatic Joint and Survivor Annuity:

- In order to be your "eligible surviving spouse," your spouse must have been married to you on your benefit commencement date and for at least one year at the time of your death.
- The 100% Joint and Survivor Option has a "pop-up" feature if you are predeceased by your eligible spouse.

## **Benefit Adjustment**

Since your pension benefit is potentially payable over the course of two lifetimes, your monthly benefit is adjusted as described below. If you are predeceased by your eligible spouse, your benefit will “pop-up” to the amount that would have been payable to you had the Automatic Joint and Survivor Benefit not been elected. The pop-up is effective beginning the month after your spouse’s death and the higher benefit is payable for the rest of your life.

### **Adjustment for Normal, Unreduced (including Rule of 85) and Early Retirement Pensions**

If you and your spouse are the same age, the adjustment factor is 85%. The factor will be decreased by 0.3% for each full year that your spouse is younger than you or increased by 0.3% for each full year that your spouse is older than you, up to a maximum factor of 99%.

### **Adjustment for Disability Retirement Benefits**

If you and your spouse are the same age, the adjustment factor is 70%. The factor will be decreased by 0.3% for each full year that your spouse is younger than you or increased by 0.3% for each full year that your spouse is older than you, up to a maximum factor of 99%.

### **Election of the Full Joint and Survivor Option**

If you wish to elect the Full Joint and Survivor Options, both you and your spouse must waive payment under the Automatic Joint and Survivor Annuity payment form. The rules for electing a payment form and waiving the Automatic Joint and Survivor Annuity are described under the section entitled “Applying for Retirement Benefits” (see page 30).

## **75% JOINT AND SURVIVOR OPTION**

*As of the printing of this booklet, different rules and factors apply to the 75% Joint and Survivor Option payment form depending on whether your benefits are subject to the terms of the Rehabilitation Plan. The differences are described below.*

The 75% Joint and Survivor Option operates in a similar fashion to the Automatic Joint and Survivor Annuity payment form, except that the continuation benefit to your spouse will be 75% and the reduction in your retirement benefit will be proportionately larger than under the Automatic Joint and Survivor Annuity.

As with the Automatic Joint and Survivor Annuity:

- In order to be your “eligible surviving spouse,” your spouse must have been married to you on your benefit commencement date and for at least one year at the time of your death.
- If your benefit is not subject to the Rehabilitation Plan, the 75% Joint and Survivor Option payment form has a “pop-up” feature if you are predeceased by your eligible spouse.

## 75% Joint and Survivor Option Benefit Adjustment if Your Benefit is not Subject to the Rehabilitation Plan

The adjustment for the 75% Joint and Survivor Option is based on the ages of you and your spouse on your benefit commencement date. Different factors apply depending on whether or not you are receiving a Disability Retirement Benefit. There is a “pop-up” feature if you are predeceased by your spouse.

**For example:** The chart below gives some examples of factors for both Disability Retirement Benefits and non-disability Benefits under the 75% Joint and Survivor Option based on a \$1,000.00 monthly benefit.

	<b>Adjustment for Normal, Unreduced (including Rule of 85) and Early Retirement Benefits</b> ▪ Benefit has a “pop-up” feature if participant predeceased by spouse.			<b>Adjustment Disability Retirement Benefit</b> ▪ Benefit has a “pop-up” feature if participant predeceased by spouse.		
Ages of Participant and Spouse	Participant’s Benefit While Both Participant and Spouse are Alive	Spouse’s Survivor Benefit if Predeceased by Participant	Participant’s Benefit if Predeceased by Spouse	Participant’s Benefit While Both Participant and Spouse are Alive	Spouse’s Survivor Benefit if Predeceased by Participant	Participant’s Benefit if Predeceased by Spouse
Both age 50	Not Applicable			\$693.00	\$519.75	\$1,000.00
Both age 55	\$856.70	\$642.53	\$1,000.00	\$674.80	\$506.10	\$1,000.00
Both age 60	\$827.40	\$620.55	\$1,000.00	\$665.10	\$498.83	\$1,000.00
Both age 65	\$796.90	\$597.68	\$1,000.00	Not Applicable		

## 75% Joint and Survivor Option Benefit Adjustment if Your Benefit is Subject to the Rehabilitation Plan

The adjustment for the 75% Joint and Survivor Option is based on the ages of you and your spouse on your benefit commencement date. These factors are different from the factors used for benefits that are not subject to the Rehabilitation Plan. In addition, the Disability Retirement Benefit is not available under the Rehabilitation Plan and there is no “pop-up” feature.

**For example:** The chart below gives some examples of factors based on a \$1,000.00 monthly benefit.

	<b>Adjustment for Normal, Unreduced (including Rule of 85) and Early Retirement Benefits</b> ▪ Benefit has a “pop-up” feature if participant predeceased by spouse.		
Ages of Participant and Spouse	Participant’s Benefit While Both Participant and Spouse are Alive	Spouse’s Survivor Benefit if Predeceased by Participant	Participant’s Benefit if Predeceased by Spouse
Both age 55	\$867.70	\$650.78	\$867.70
Both age 60	\$842.20	\$631.65	\$842.20
Both age 65	\$815.10	\$611.33	\$815.10

## Election of the 75% Joint and Survivor Option

If you wish to elect the 75% Joint and Survivor Options, both you and your spouse must waive payment under the Automatic Joint and Survivor Annuity payment form. The rules for electing a



payment form and waiving the Automatic Joint and Survivor Annuity are described under the section entitled “Applying for Retirement Benefits” (see page 30).

### **SINGLE SUM PAYMENT OF SMALL BENEFITS**

If you, your spouse or Dependent becomes entitled a monthly benefit with an actuarial present value of \$1000.00 or less, payment will automatically be made in a single sum. You will not have the option of electing any other payment form.

If actuarial present value of the monthly benefit is greater than \$1,000.00, but not greater than \$5,000.00, you, your spouse or Dependent may elect to receive the payment in a single sum or you may elect payment under one of the Plan’s other available payment forms.

Payment of your monthly benefit in a single sum represents your full entitlement to benefits from the Plan.

## **IF YOU DIE BEFORE RETIREMENT – PRE-RETIREMENT DEATH BENEFITS**

If you die after you become Vested, your surviving spouse or eligible Dependents may be entitled to death benefits under the rules described in this section.

### **AUTOMATIC JOINT AND SURVIVOR BENEFIT BEFORE RETIREMENT**

If you die after you become Vested, a pre-retirement Automatic Joint and Survivor Benefit is payable to your spouse, provided that you were married throughout the twelve-month period preceding your death.

#### **Effective Date and Benefit Amount**

The effective date of your surviving spouse's benefit is based on whether your death occurred before or after you are eligible for a non-disability retirement benefit (Normal, Unreduced, Unreduced Rule of 85 or Early Retirement Benefit).

- If you die after becoming eligible for a non-disability retirement benefit, the effective date will be the first of the month following the date of your death. The amount of your spouse's benefit will be determined as if you retired and elected an Automatic Joint and Survivor Benefit the day prior to your death. Your spouse will receive 50% of the calculated amount.
- If you die before becoming eligible for a retirement benefit, the effective date will be the first of the month following the date that you would have first been entitled to a retirement benefit had you lived. The amount of your spouse's benefit will be determined as if you retired when you first became entitled to a retirement benefit, elected an Automatic Joint and Survivor Benefit and then died. Your spouse will receive 50% of the calculated amount.

#### **Spouse's Election to Defer Payment of Pre-Retirement Automatic Joint and Survivor Annuity Benefit**

Your spouse may elect in writing to postpone the starting date of the pre-retirement Automatic Joint and Survivor Annuity Benefit provided that it is not later than December 1 of the calendar year in which you would have reached age 70-1/2, had you lived. If your spouse elects to postpone the starting date of the pension, your spouse will receive 50% of the amount determined as if you retired on an Automatic Joint and Survivor Annuity Benefit and died immediately prior to when your spouse's benefit is to start.

However, if your spouse dies before the starting date of the Automatic Joint and Survivor Annuity Benefit, that benefit will be forfeited and there will be no payments to any other person.

## **Automatic Lump Sum Payment of Small Benefits**

If the Actuarial Present Value of your spouse's monthly benefit is \$1,000 or less, the Fund will automatically pay the Automatic Joint and Survivor Annuity Benefit out in a single lump-sum. Such payment would represent your spouse's full entitlement to benefits under the Plan.

## **PRE-RETIREMENT DEATH BENEFIT**

*As of the printing of this booklet, this death benefit is not available if your benefits are subject to the terms of the Rehabilitation Plan.*

If you are Vested, unmarried and die prior to retirement, the pre-retirement death benefit described in this section is payable to your surviving eligible Dependents. If you are married, this benefit is payable to your surviving spouse if you either (1) do not qualify for the pre-retirement Automatic Joint and Survivor Annuity described in the prior section or (2) your spouse rejects that pre-retirement Automatic Joint and Survivor Annuity at the time of your death.

The benefit is the Vested Percentage (see page 10) of your total Employer Contributions made payable over a period of 36 months to your spouse (or eligible Dependents if there is no spouse).

In the case of your surviving spouse, he or she may receive – if greater – 36 payments based on the amount of any Normal, Unreduced Early Retirement or Early Retirement Benefit that would have been payable to you if you had retired at the time of your death.

## APPLYING FOR RETIREMENT BENEFITS

### FILING AN APPLICATION

In order to receive a benefit from the Pension Plan, you, your surviving spouse or eligible Dependent must complete and file an application with the Fund Office. In addition, you as a Participant must be retired (see page 35) before any pension benefit can be paid to you.

Applications may be requested from the Fund Office at the following address:

Automotive Industries Pension Plan  
c/o Health Services & Benefit Administrators, Inc.  
4160 Dublin Blvd., Suite 400  
Dublin, CA 94568  
Telephone: (800) 635-3105  
[www.aitrustfunds.org](http://www.aitrustfunds.org)

The Fund Office will provide the necessary application forms with instructions for completing them and information on what additional documents will be required.

As a Participant considering retirement, you should obtain and file your application in advance of what you want to be your Benefit Commencement Date (see page 31).

### SUBMITTING DOCUMENTS WITH AN APPLICATION

#### General

When submitting your completed pension application, you should include a copy of your birth certificate or other acceptable document necessary to substantiate your date of birth. If you are married, your marriage certificate and spouse's birth certificate are also required.

#### If You Are Applying for a Disability Benefit

If you are applying for a Disability Benefit, you will need to provide the Fund Office with a copy of your Social Security Award letter. This is the only document or evidence that the Fund will accept as proof that you are Totally Disabled.

#### If You Are or Have Been Divorced

If you were previously married and are now divorced, you will need to provide the Plan with a copy of your divorce decree and/or a qualified domestic relations order (QDRO) so that the Fund will know whether your former spouse has a legal claim to any portion of your retirement benefit and, if so, how your retirement benefit is to be divided between you. More information concerning QDROs can be found on page 37.

## **If Your Spouse or Eligible Dependent Is Applying for a Benefit**

Following your death, your eligible spouse or dependent must file an application, along with a copy of your death certificate, with the Fund Office. An application should be obtained from the Fund Office shortly after your death so that benefit payments may begin as soon as possible.

## **Documenting Whether You Are Retired**

In order to begin and continue receiving a pension benefit, you must be “retired.” You will be required to certify to the Trustees that you are retired as of your benefit commencement date and are not engaged in any work for which Employer Contributions are required.

If you are continuing to work and if there is any question whether you should be considered “retired,” it may necessary for you to obtain a letter from your employer that includes a description of the business of the company, your specific job duties and number of hours you work per month.

## **PARTICIPANT PENSION BENEFIT COMMENCEMENT DATE**

Your “benefit commencement date” (sometimes referred to as your “annuity starting date,” “pension effective date” or “the effective date of your pension.”) is the date that your Monthly Retirement Benefit is considered to begin. Your benefit commencement date for an Unreduced, Early or Disability Retirement cannot be made retroactive for a period of more than six months from the date of application.

Based on the timing of your application, election of a payment form, reporting of final work hours and other administrative considerations, your first pension check will likely be issued after your benefit commencement date. However, you will receive either a single sum payment for a Retroactive Annuity Starting Date (see page 32) or increased monthly benefit to make up for this delay.

Your benefit commencement date cannot be later than your Required Beginning Date (see page 16).

## **ELECTING A PAYMENT FORM**

At the time of application, you will receive written explanations of:

- The Automatic Joint and Survivor Annuity, your right to waive the Automatic Joint and Survivor Annuity, the effect of any such waiver, the right of your spouse (if applicable) to consent/not consent to such waiver and the effect of such action and both your rights to revoke any election/waiver prior to the commencement of your benefit;
- The relative actuarial values of optional payment forms; and
- The consequences of failing to defer the distribution of benefits including a description of how much larger benefits will be if the commencement of distributions is deferred.

Depending upon when you contact the Fund Office, these explanations will generally be provided to you no less than 30 days nor more than 180 days prior to your benefit

commencement date. If provided to you after your benefit commencement date, you will have at least 30 days during which to review the material and make your payment form election. If you wish to waive the minimum 30 days window between the explanation date and your earliest possible benefit commencement date, you may do so provided that the actual payment of benefits does not take place sooner than 7 days following the date that the explanation is provided.

Subject to the Plan's application timing rules, you may elect a benefit commencement date (called a "Retroactive Annuity Starting Date") that is prior to the date that you receive the written explanations. If you elect a Retroactive Annuity Starting Date, your first pension payment will include a retroactive lump sum with interest to cover the number of months between your Retroactive Annuity Starting Date and when your check is issued.

In the alternative, you may elect a later benefit commencement date to coincide with the date of your first check. Under this circumstance, you will not receive the lump sum payment with interest, but the amount of your monthly benefit may be larger than that payable on the Retroactive Annuity Starting Date. For example, if you are applying for an Early Retirement Benefit, you will be older on the later benefit commencement date and, therefore, the early retirement reduction smaller and your monthly benefit larger.

**Example:** A Participant who is not subject to the Rehabilitation Plan is entitled to a \$1,000.00 monthly benefit at Normal Retirement Age. He files for an Early Retirement Benefit with a benefit commencement date of January 1<sup>st</sup>. On that date, he is age 56 years old and entitled to receive a monthly benefit of \$820.00. Due to the time needed to process his retirement benefit, the first payment is expected to be made three months later on April 1<sup>st</sup>.

If the Participant elects to keep the January 1<sup>st</sup> date as a "Retroactive Annuity Starting Date, he is owed \$820.00 for each of the three months (January, February and March) before the first payment is made, or \$2,460.00. To this amount is added \$16.40 interest for those months for a total one-time payment of \$2,476.40. Beginning April 1<sup>st</sup>, he will receive \$820.00 per month.

In contrast, if the Participant instead elects a benefit commencement date of April 1<sup>st</sup> to coincide with date of the first check, he will be three months older (age 56 years and 3 months). Based on his age on that date, his Early Retirement Benefit will be \$827.50. Payment of this amount beginning April 1<sup>st</sup> is in lieu of receiving a retroactive payment described in the prior paragraph.

If you are married and wish to elect a Retroactive Annuity Starting Date, you must obtain your spouse's written consent.

## FEDERAL AND STATE INCOME TAX WITHHOLDING AND ROLLOVER DISTRIBUTIONS

### FEDERAL INCOME TAX WITHHOLDING

Federal Income Taxes will be automatically withheld from any benefits paid by the Plan that exceed the limits established by the Internal Revenue Service, unless you elect not to have income taxes withheld. You will be given complete information and the opportunity to elect or reject withholding when you apply for benefits.

### STATE INCOME TAX WITHHOLDING

State Income Taxes will be automatically withheld from any benefits paid by the Plan that exceed the limits established by the California Franchise Tax Board, unless you elect not to have income taxes withheld. You will be given complete information and the opportunity to elect or reject withholding when you apply for benefits.

### MANDATORY 20% WITHHOLDING AND ELIGIBLE ROLLOVER DISTRIBUTIONS

A federal law called the Unemployment Compensation Amendments of 1992 requires that if you, your spouse or eligible Dependent are receiving benefits under certain payment forms from the Plan that are includable in gross income, the Plan ***must withhold*** 20% of the payment for income tax purposes. This is not a tax. The withheld monies are applied towards any taxes you may owe when you next file your income tax returns.

The types of benefits that may be subject to mandatory withholding for this Plan are:

- The lump-sum cashout of a benefit worth \$5,000 or less;
- 36-Payment Pre-Retirement Death Benefit

However, these types of benefits are also eligible for a “rollover” into an IRA or other tax-exempt retirement plan. If you roll over your benefits, withholding is not mandatory and your tax obligations in connection with these monies may be deferred to a later date.

Special rules apply to rollovers of eligible distributions. You, your surviving spouse or eligible Dependent will be given complete information when you apply for benefits and the opportunity to elect or reject rollover treatment if your benefit is subject to 20% mandatory withholding.

**IMPORTANT: To determine the best way for you to receive payment of your retirement benefits and the tax consequences of the retirement benefits you receive, it is a good idea to consult a qualified tax or financial advisor. The information contained in this booklet does not constitute tax advice. In addition, while the Fund Office will provide you with notices and forms, its staff cannot provide you with tax or financial advice.**

## **RETIREMENT, WORKING AFTER YOUR RETIREMENT AND SUSPENSION OF BENEFITS**

### **RETIREMENT AND WORKING AFTER RETIREMENT**

In order to continue receiving monthly pension benefits, you must remain retired. You are no longer considered to be retired and your benefits subject to suspension if you become employed or self-employed under the following circumstances:

- (1) Your employment is in any of the counties that make up the San Francisco, Oakland or San Jose greater metropolitan area or any other metropolitan area in which any Employee covered under the Plan is employed; and
- (2) Your work being performed (including related work as a supervisor) is of the type being performed by any Employee covered by the Plan in the metropolitan area; and
- (3) Your work being performed is in a “trade or craft”<sup>1</sup> in which you were previously employed at any time while a Plan participant; and
- (4) Your employment or self-employment exceeds 40 hours in a given month.

You are permitted to work in any job or occupation that does not involve the above and still be considered retired.

#### **Exceptions**

- Your pension will not be suspended if you work 40 or more hours for an Individual Employer for no more than three months in a calendar year. However, this exception shall not apply during the first 90 days following your benefit commencement date for benefits accrued on or after January 1, 2004.
- You are considered to have 45 hours of Covered Service for Individual Employers for any week for which you receive disability payments from the Automotive Industries Welfare Plan. Subject to the following exceptions, this results in the suspension of your pension for the month in which the week falls. This suspension provision does not apply:
  - During the first three months of disability payments made by the Welfare Plan; or
  - To any month in which the suspended pension amount exceeds the amount of disability payments made for that month; or
  - To benefits accrued prior to January 1, 1993.

<sup>1</sup> “Trade or craft” is defined as (1) a skill or skills learned during a significant period of training or practice, which is applicable in occupations in that industry, (2) a skill or skills relating to selling, retailing, managerial, clerical or professional occupations, or (3) supervisory activities related to such skill or skills.



- Retirement benefits accrued before September 1, 1982 are subject to suspension only based on work for an Individual Employer.
- You are considered to be retired after your Required Beginning Date – regardless of what type of work you may perform.

### **SUSPENSION OF BENEFITS**

If you take a job under the above conditions, you must notify the Fund Office within 15 days of starting the work. Your pension will then be suspended for each month you work 40 hours or more. If you fail to notify the Fund Office that you have returned to work, the Trustees will presume that you have worked at least 40 hours and your benefit payment will be suspended unless you can prove that you worked less than 40 hours in that calendar month

If you return to work and your work involves Covered Service you will receive additional Pension benefits when you again retire, based on the benefits you earn while working. You will be entitled to make a separate payment form election with respect to these benefits, unless your prior payment form election was made after your Normal Retirement Age.

Beginning with your Required Beginning Date, you can do any type of work, anywhere, and your Pension will not be suspended.

### **INQUIRING WHETHER WORK IS SUSPENDIBLE EMPLOYMENT**

If you are thinking about returning to work after retiring, you may wish to contact the Fund Office to see if the type of work would result in the suspension of your pension. You will be asked to submit your request in writing. The Trustees will need to be provided with certain information, including your future employer's business, your specific job duties and number of hours that you will be working. It may be helpful to have this information come directly from the employer.

If you disagree with the determination, you may file an appeal under the Plan's claims and appeals procedures (see page 39).

## QUALIFIED DOMESTIC RELATIONS ORDERS (QDRO)

In general, your pension benefits under the Plan cannot be claimed by any creditor, nor can you, your spouse or eligible Dependent transfer the rights to these benefits to any person or entity. An exception to this rule are benefits that are payable to a spouse, former spouse, child or other dependent to satisfy family or marital property obligations under the terms of a “Qualified Domestic Relations Order” or QDRO. The QDRO must be delivered to and approved by the Plan before payments can be made to another party.

A QDRO is a judgment, decree, or order pursuant to state law relating to child support, alimony, or marital property rights directing that all or part of a Participant’s benefit be paid to an individual designated as an “alternate payee.” In order be “qualified” as a QDRO, it must meet the requirements, including those contained in ERISA § 206(d) and Internal Revenue Code § 414(p).

These include the requirement that it clearly specify:

- The name and mailing addresses of the Participant and each Alternate Payee covered by the order;
- The amount or formula for determining the amount payable to each Alternate Payee;
- The number of payments or period to which the order applies; and
- The name of the Plan to which the order applies.

In addition, it cannot require the Plan to:

- Provide any type or form of benefit not otherwise provided under the Plan;
- Provide an increased benefit determined on the basis of actuarial equivalence;
- Pay benefits in conflict with a previously issued QDRO; and
- Begin payment of benefits before the Participant is eligible for a pension.
- You may request a copy of the Plan’s QDRO procedures from the Fund Office and it will be provided to you without charge

Orders must be reviewed and approved by the Fund before any benefits can be paid to an alternate payee.

Any party considering obtaining a QDRO should have their attorney review the appropriate sections of the law to prepare a domestic relations order that fits the situation. You or the Alternate Payee should also submit the order to the Fund Office in draft form prior to having it filed with the courts. The Fund Office will review the order with the Fund’s legal counsel,

advise the parties of any changes that may be necessary and let you know in advance whether the order will be found to be “qualified.”

You or any party may obtain a copy of the Plan’s QDRO procedures – without charge – by contacting the Fund Office at the following address:

Automotive Industries Pension Trust Fund  
c/o Health Services & Benefit Administrators, Inc.  
4160 Dublin Blvd., Suite 400  
Dublin, CA 94568  
Telephone: (800) 635-3105  
[www.aitrustfunds.org](http://www.aitrustfunds.org)

## CLAIMS AND APPEALS PROCEDURES

If your application for benefits is denied or you believe that you are not receiving all benefits to which you are entitled, you may have your case reviewed by the Board of Trustees or a Subcommittee of the Board of Trustees by following the claims and appeals procedures described below. Note that they detail both the obligations of the Plan to provide an avenue for your appeal, as well as your responsibilities in presenting your case.

### CLAIM FILING

All initial claims must be filed with the Fund Office in written form or electronically using such forms or standards as the Joint Board may specify from time to time. Typically, this rule is satisfied by filing an application obtained from the Fund Office. If your claim does not contain all the necessary information, including information required from the Social Security Administration, the Fund Office will notify you or your authorized representative in written or electronic form as soon as possible.

### INITIAL CLAIM DENIAL

The Fund Office shall notify you of any denial of benefits within a reasonable period of time, but not later than 90 days after receipt of your claim.<sup>2</sup>

If the Fund Office determines that there is not sufficient information to determine the claim within this time frame, it will notify you prior to the expiration of the time limit of the circumstances requiring the extension and the date by which a decision is expected to be rendered. The initial time period for a decision can then be extended for up to an additional 90 days.

If you do not hear from the Fund Office within the above time frame, you may proceed to the appeal procedure as if the claim were denied.

If the Fund Office denies your claim, it will notify you by letter or electronic form written in a manner calculated to be understood by you. The letter will contain the following information.

- The specific reason or reasons for the decision.
- Reference to the specific Plan provision on which the decision is based.
- A description of any additional material or information necessary for you to perfect the claim and an explanation of why such material or information is necessary.

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<sup>2</sup> The time period from which a benefit determination is to be made begins at the time a claim is filed without regard to whether all the information necessary to make a benefit determination accompanies the filing. If the period of time is extended as provided for later in this section, the period for making the benefit determination shall be tolled from the date on which the notification of extension is sent to you until the date on which you or other entity supplying the information (such as the Social Security Administration) responds to the request for additional information.

- A description of the Plan's review procedure and the time limits applicable to such procedures.
- A statement of your right to bring a court action under ERISA Section 502(a) following an adverse decision on review.

### **APPEALING A CLAIM DENIAL**

If your claim is denied in whole or in part and you wish to appeal, you must file with the Joint Board an appeal in writing within 60 days following receipt of the Plan notification of an adverse initial determination. There is no specific form for this purpose. Late applications may be considered by the Board of Trustees in its sole discretion if it finds that the delay in filing was reasonable under the circumstances. Failure to file an appeal within the designated period will constitute a waiver of your right to review the denial of his claim whether or not the Plan is prejudiced by the failure.

You may submit written comments, documents, records or other information relating to the claim.

Upon written request, you will be provided, free of charge, reasonable access to and copies of any documents, records and other information if they:

- Were relied upon in making the initial determination,
- Were submitted, considered or generated in the course of making the benefit determination even if not relied upon,
- Demonstrate that the Plan provisions have been followed and applied consistently with respect to similarly situated individuals, or
- Constitute a statement of policy or guidance with respect to the Plan concerning the denied benefit whether or not relied upon.

The appeal will take into account all comments, documents, records, and other information submitted by you relating to the claim, without regard to whether such information was submitted or considered in the initial determination.

You shall have no right to personally appear before the Board of Trustees, unless the Board in its sole discretion concludes that such an appearance would be of value in enabling it to review the adverse initial determination.

### **DECISION ON APPEAL**

In general, the Board of Trustees decides appeals at the next regularly scheduled meeting. However, if the appeal is received within 30 days preceding the date of such meeting, the appeal

may be tabled and decided by no later than the date of the second meeting following receipt of the appeal.<sup>3</sup>

If special circumstances require a further extension, your appeal will be decided not later than the third meeting following receipt of the appeal. The Fund Office shall notify you in writing of the extension describing the special circumstances and the date as of which to benefit determination will be made before the start of the extension.

The Fund Office shall notify you by written or electronic means of the Board of Trustees' decision as soon as possible, but not later than 5 days after the appeal is decided. If the decision is a denial, it shall be communicated to in a manner calculated to be understood by you and include the following information:

- The specific reason or reasons for the decision.
- Reference to the specific Plan provisions on which the appeal is based.
- A statement that you are entitled to receive upon request and free of charge reasonable access to and copies of all documents, records, and other information relevant to your claim.
- A statement of your right to bring a court action under ERISA Section 502(a).

Following issuance of the decision on your appeal, you have no further right under these procedures to appeal or arbitrate the decision.

## **LEGAL PROCEEDINGS**

You may pursue your claim for benefits in court under ERISA Section 502(a) but only after you have exhausted your administrative remedies as provided in these claims procedures. Your failure to exhaust your administrative remedies will preclude further judicial review.

The Board of Trustees is given full discretionary authority (1) to finally determine all facts relevant to any claim, (2) to finally construe the terms of the Plan and all other documents relevant to the Plan, and (3) to finally determine what benefits are payable from the Plan.

Any decision made by the Board of Trustees or its appointed subcommittee shall be binding on all persons affected to the fullest extent permitted by law.

No decision of the Board of Trustees shall be revised, changed or modified by any arbitrator or court unless the party seeking such action is able to show by clear and convincing evidence that the Joint Board's decision was an abuse of discretion in light of the information actually available to it at the time of its decision.

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<sup>3</sup> The time period from which an appeal is to be made begins at the time the appeal is filed without regard to whether all the information necessary to make a benefit determination accompanies the filing. If the period of time is extended as hereafter provided, the period for deciding the appeal shall be tolled from the date on which the notification of extension is sent to Claimant until the date on which the Claimant responds to the request for additional information

## MISCELLANEOUS PROVISIONS

You may appoint in writing an authorized representative to act on your behalf in pursuing a claim or appeal under these claim procedures. There is no required form for this purpose.

The Fund Office shall maintain records designed to ensure and verify that determinations are made in accordance with Plan documents and that where appropriate, the Plan provisions have been applied consistently with respect to similarly situated claimants. Plan participants' privacy will be protected at all times.

Any decisions affecting your benefits under the Plan may be appealed under these claims procedures, including:

- A denial, reduction or termination of any Plan benefit.
- A failure to provide or make payment in whole or in part for any Plan benefit.
- A refusal to provide a Plan benefit based on a determination that the Claimant is not eligible under the terms of the Plan.

The Board of Trustees retains the right to interpret and amend these Claims Procedures. Furthermore, if these procedures are ambiguous or do not provide an explicit procedure for a specific circumstance, the Board of Trustees is authorized to adopt such rules as it in its discretion deems necessary and appropriate to provide claimants with appropriate initial determinations and an opportunity for a full and fair review of any adverse benefit determination.

**INFORMATION REQUIRED BY THE  
EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 (ERISA)**

**1. The Name of the Plan**

Automotive Industries Pension Plan

**2. Type of Plan**

The Plan is a defined benefit plan within the meaning of ERISA.

**3. Plan's Employer Identification Number and Plan Number**

The Employer Identification Number (EIN) assigned by the IRS is 94-1133245.  
The Plan Number is 001.

**4. Fiscal Year End Date**

The fiscal year end date is December 31.

**5. Type of Administration**

The Plan is administered and maintained by a Board of Trustees consisting of an equal number of Union and Employer representatives. They have retained the services of a third party administration firm (Health Services & Benefit Administrators) to handle the day-to-day administration of the Plan. The address and telephone number of Health Services & Benefit Administrators (referred to as the "Fund Office") is:

Health Services & Benefit Administrators, Inc.  
4160 Dublin Blvd., Suite 400  
Dublin, CA 94568  
Telephone: (800) 635-3105  
[www.aitrustfunds.org](http://www.aitrustfunds.org)

**6. Name and Address of the Board of Trustees**

Board of Trustees  
c/o Health Services & Benefit Administrators, Inc.  
4160 Dublin Blvd., Suite 400  
Dublin, CA 94568  
Telephone: (800) 635-3105  
[www.aitrustfunds.org](http://www.aitrustfunds.org)



The names and business addresses of individual Trustees are listed below:

**UNION TRUSTEES**

Jim Beno – Chairman  
IAM & AW District Lodge 190  
8201 Capwell Drive  
Oakland, CA 94621

Don Crosatto  
Local Lodge 1546  
10260 MacArthur Blvd.  
Oakland, CA 94605

Jim Schwantz  
District Lodge 190  
Local Union No. 1101  
2102 Almaden Road, Suite 105  
San Jose, CA 94124

Stephen Mack  
International Teamsters Union  
1601 Lake Chabot Terrace  
San Leandro, CA 94577

Rich Morales  
Local Union 1176  
2020 Williams Street, Suite A1  
San Leandro, CA 94577

**EMPLOYER TRUSTEES**

Tom Dillon – Secretary  
California Metal Trades Association  
851 Burlway Road, Suite 302  
Burlingame, CA 94010

John DiBernardo  
SSA Terminals, LLC  
700 Pier A Plaza  
Long Beach, CA90813

Ryan Thibodeau  
UPS North CA District  
8475 Pardee Lane  
Oakland, CA 94621

**7. Name and Address of the Person Designated as Agent for the Service of Legal Process**

The service of legal process may be made upon Health Services & Benefit Administrators, a Plan Trustee or the Board of Trustees at the addresses shown in 5 and 6.

**8. Source of Contributions to the Plan**

All contributions to the Plan are made by employers in accordance with pension agreements (collective bargaining agreement or subscription agreements) in force with the union and the Fund.

**9. Availability of Collective Bargaining Agreements**

The Plan is maintained pursuant to various pension agreements (collective bargaining agreements or subscription agreements). Copies of the Agreements are available for inspection at the Fund Office during regular business hours and upon written request and payment of copying costs will be furnished by mail. A copy of any pension agreement that provides for contributions to the Plan will be available for inspection within 10 calendar days after a written request is received at any union office or office of a contributing employer to which at least 50 Plan participants report to each day.

## **10. Identification of Contributing Employers**

The Fund Office will provide you, upon written request, information as to whether a particular employer is contributing to this Fund with respect to the work of Participants in the Fund and, if the employer is a contributor, with the employer's address.

## **11. Funding Medium Used for the Accumulation of Assets**

Benefits are provided directly from the Fund's assets which are accumulated under the provisions of Trust Agreement and held in custody by Amalgamated Bank.

## **12. Guaranty of Benefits Under Federal Law**

The Board of Trustees intends to continue this Plan indefinitely. If, for any reason, the Plan should be terminated, you will have a 100% vested interest in your normal retirement benefit to the extent benefits are funded by the assets in the Plan at the time of Plan termination.

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 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 \$11.00 of the monthly benefit accrual rate and (2) 75% of the next \$33.00. 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 \$12,870.00.

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.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money your Plan has and on how much the PBGC collects from employers.

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 program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.

## STATEMENT OF ERISA RIGHTS

As a Participant in the Automotive Industries Pension Trust Fund, 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 (EBSA).
- 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 (generally 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 case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the status of a qualified domestic relations order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees if, for example, it finds your claim is frivolous.

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration (EBSA), U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210, or visit the EBSA website at [www.dol.gov/ebsa/](http://www.dol.gov/ebsa/). You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the EBSA

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