

**Automotive Industries Pension Plan
Checklist Item #36**

Does the application include:

- **the required plan documents,**
- **any recent amendments,**
- **the summary plan description (SPD),**
- **the summary of material modifications, and**
- **the most recent determination letter?**

See section 7.06.

Yes. The required documents are attached as follows:

- 2015 Plan document; Document No. 36.1
- 2016 SPD; Document No. 36.2
- 2015 determination letter; Document No. 36.3

There are no recent amendments or summaries of material modifications not incorporated into the 2015 Plan document. Additionally, the 2016 SPD has been approved by the Board of Trustees of the Pension Plan but has not been distributed to participants and beneficiaries pending the United States Department of Treasury's determination of the Pension Plan's Suspension Application.

AUTOMOTIVE INDUSTRIES PENSION PLAN
(Amended and Restated as of January 1, 2015)

AMENDMENT REVISING
AUTOMOTIVE INDUSTRIES PENSION PLAN

The above-named Plan is hereby revised in its entirety to read as set forth in the revised Plan attached hereto effective January 1, 2015.

UNION TRUSTEES:

Redacted by the U.S. Department of the Treasury



EMPLOYER TRUSTEES:

Redacted by the U.S. Department of the Treasury



Dated: December 1, 2015

AUTOMOTIVE INDUSTRIES PENSION PLAN
(Amended and Restated as of January 1, 2015)

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AUTOMOTIVE INDUSTRIES PENSION PLAN
(As Amended and Restated January 1, 2015)

ARTICLE I

Meaning, Construction and Definitions

Section 1.01 - Meaning

Unless the context otherwise requires, the words and phrases used in this Plan shall have the same meaning as they do in the Trust Agreement.

Section 1.02 - Construction

The masculine gender where appearing in the Plan, shall be deemed to include the feminine gender, and the singular may include the plural, unless the context clearly indicates to the contrary.

Section 1.03 - Definitions

(a) “Trust Agreement” means the Automotive Industries Pension Trust agreement, originally adopted as of September 1, 1985, as amended from time to time.

(b) “Plan” means the Automotive Industries Pension Plan, adopted and maintained to provide Benefits to eligible Participants, Spouses, and Dependents and which is known as the Automotive Industries Pension Plan.

(c) “Benefit” means pension or other benefit as may be provided under this Plan.

(d) “Participant” means any Employee, Former Employee or Retired Employee who is participating in the Plan in accordance with the provisions under Article III 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.

(e) “Dependent” means (1) a surviving spouse, or if none (2) surviving children under the age of eighteen and surviving children age eighteen or 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 and surviving sisters if the Participant was furnishing at least half the cost of such persons’ support immediately prior to the Participant’s death.

(f) “Employee” means any person on whose account an Individual Employer is at the time of reference required to make Employer Contributions into this Trust Fund under a Pension Agreement. For the sole purpose of permitting employees of the Unions and the Trustees to receive pension hereunder, employees of the Unions and the Trustees shall be considered Individual Employees hereunder, if any such Union or the Individual Employer of a Trustee execute a Pension Agreement requiring the same Employer Contributions as are required of other Individual Employers.

(g) “Former Employee” means a Former Employee as defined in the Trust Agreement as in effect prior to the Effective Date.

(h) “Retired Employee” means a Retired Employee as defined in the Trust Agreement as in effect prior to the Effective Date.

(i) “Individual Employer” means any association, individual, partnership, joint venture, trust, or corporation, which at time of reference, has a Pension Agreement in effect and is a party to the Trust Agreement.

(j) “Accrued Benefit” means the Benefit as determined under Article VI of this Plan.

(k) “Employer Contributions” means payments made pursuant to a Pension Agreement into the Trust Fund by an Individual Employer.

(l) “Trust Fund” means the trust fund established by the Trust Agreement.

(m) “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.

(n) “Union” means any local union or council of unions which has a Pension Agreement in effect with an Individual Employer and is a party to the Trust Agreement.

(o) “Trustee” means any person designated as a Trustee under or pursuant to the provisions of the Trust Agreement.

(p) “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 the Participant is disabled and (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 such Social Security Disability Benefit.

(q) “Month of Covered Service” means a calendar month during which the Employee completes one or more hours of Covered Service.

(r) “Covered Service” means employment performed by an employee for which Employer Contributions are required under the terms of a Pension Agreement.

(s) “Related Non-Covered Service” is employment for an Individual Employer which is not Covered Service, but which immediately follows or precedes Covered Service with the same Individual Employer without any intervening quit, discharge or retirement, and which occurs while that Individual Employer is obligated to contribute to the Fund for Employees in Covered Service.

(t) “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.

(u) The term “Industry” means the type of business engaged in by an Individual Employer who contributes to the Plan.

(v) “Hours of Service” includes both Covered Service and Related Non-Covered Service. Whenever the phrase “Hour of Credited Service” is used, only Covered Service will be taken into account and Related Non-Covered Service will be disregarded. Hours of Service credited under this subsection will be credited solely to the Plan Year in which the absence begins if necessary to avoid a Break in Service in that year, otherwise they will be credited solely to the immediately following Plan Year.

To the extent required by the Internal Revenue Code, the Department of Labor Regulation Section 2530.210, Hours of Service will be credited for employment with other members of an affiliated service group (Code Section 414(n)), a controlled group of corporations (Code Section 414(b)), or a group of trades or businesses under common control (Code Section 414(c)), of which an Individual Employer is a member.

In the case of either Covered Service or Related Non-Covered Service, an Hour of Service is each hour of employment for which an Employee is paid, or entitled to payment, for the performance of duties for an Individual Employer, and any other hour for which back pay is payable by the Individual Employer, irrespective of mitigation of damages and whether pursuant to a final award or to an agreement by the Individual Employer.

Effective January 1, 1986, for purposes of determining whether a Break in Service has occurred, Hours of Service will also include hours when a Participant is absent from work, with or without pay, by reason of the Participant’s pregnancy, by reason of birth of the Participant’s child, by reason of the placement of a child with the Participant in connection with his adoption of the child, or for purposes of caring for such a child immediately following its birth or placement, provided that the Participant furnishes the Trustees adequate information establishing that the absence from work was for a permitted reason and the number of days for which there was such an absence.

There shall be no duplication of Hours for which credit is available under more than one of the foregoing rules. Furthermore, whenever it is necessary to compute Hours of Service or to determine the computation periods to which Hours of Service will be credited, the Board will establish a rule specifically permitted under applicable lawful regulations issued by the Department of Labor under ERISA.

(w) “Compensation”. For purposes of this Plan, Compensation means the amount required to be included in the employee’s form W-2 by the Employers for the calendar year that either coincides with or ends within a Plan Year, plus any elective deferrals under Code Section 402(g)(3) and any amounts which are contributed or deferred by an employer at the election of the employee and which are not includable in the gross income of the employee by reason of Code Sections 124, 132(f)(4) or 457. It includes wages, salaries, bonuses and fees for services rendered in the course of employment. It does not include Employer contributions under this Plan or any other

qualified retirement plan. It also does not include amounts realized from the disposition of stock acquired under a qualified stock option, amounts realized from the exercise of a non-qualified stock option or when restricted, stock held by employees either becomes freely transferable or is no longer subject to a substantial risk of forfeiture, or other amounts receiving special tax benefits, such as premiums for group term insurance.

Pursuant to Code Section 401(a)(17), the annual Compensation of each employee taken into account under this Plan for any year shall not exceed the maximum amount provided therein. In applying this rule, the maximum amount was \$200,000 in 1989, was reduced to \$150,000 in 1994, and is increased in 2010 to \$245,000, but in each instance is subject to adjustment for cost of living increases in accordance with regulations issued by the Secretary of the Treasury. Any such increases shall be automatically incorporated into this Plan without the need for specifically amending the Plan each time the maximum is adjusted.

(x) For purposes of this Plan, “Normal Retirement Age” is the later of the dates specified in (1) and (2) below:

(1) The date the Participant attains age 65; or

(2) The date the Participant reaches the fifth anniversary of the date he commenced participation in the Plan.

For purposes of this subsection (2), the number of a Participant’s anniversaries will be determined under the following rules:

(A) Until a person has a Permanent Break in Service, the yearly return of a person’s original commencement date will constitute an anniversary if the person is a Participant on that date.

(B) After a person has a Permanent Break in Service, all prior service, including accumulated anniversaries, is permanently forfeited, and hence if the person again becomes a Participant, his anniversaries will be measured from his new commencement date.

(y) A “Collectively Bargained Employee” is an employee who is included in a unit of employees covered by a collective bargaining agreement requiring contributions to this Plan.

(z) An “Alumni” is a noncollectively bargained employee who benefits under the Plan and is treated as a Collectively Bargained Employee for purposes of meeting federal rules on minimum participation and anti-discrimination, but not with respect to vesting rules. To be an Alumni, the employee must have accrued a benefit under this Plan while being a Collectively Bargained Employee, must be employed by the Union, or an Individual Employer, and must participate in the Plan pursuant to a written Pension Agreement which provides for the employee to benefit under the Plan.

(aa) “Code” means the Internal Revenue Code of 1986, as amended from time to time, and the regulations thereunder.

(bb) “ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations thereunder.

ARTICLE II

Effective Date

Section 2.01

Unless specifically provided elsewhere hereunder, the amended and revised Plan as set forth in this document is effective as of January 1, 2015.

Section 2.02

The provisions as set forth in this Plan amend the Automotive Industries Trust Agreement effective as of September 1, 1955 and as amended from time to time which is incorporated herein by this reference. The rights and benefits, if any, of an Employee who terminated participation prior to the Effective Date shall be determined in accordance with the provisions of the Trust Agreement as in effect on the date his participation terminated.

ARTICLE III

Participation, Service and Break in Service

Section 3.01 - Employment Commenced Prior to January 1, 1976

Employees, Former Employees or Retired Employees who were participating on the date preceding January 1, 1976 in accordance with the provisions of the Trust Agreement as in effect prior to that date became Participants as of that date.

Section 3.02 - Employment Commenced on or After January 1, 1976

Since January 1, 1976, an Employee becomes a Participant in the Plan as of the first day of the first month for which an Employer contribution is made.

Section 3.03 - Credited Service

Credited Service shall mean Credited Past Service and/or Credited Future Service.

(a) *Credited Past Service.* The term “Credited Past Service” as used herein shall include for any Participant who was an Employee on the initial date of the Trust Agreement or who first becomes an Employee after the initial date of the Trust Agreement, work performed by such Employee of the type, and within the geographical area covered by Pension Agreements providing for contributions to the Trust Fund and performed within:

(1) For Participants who came under the Plan prior to January 1, 1975 - the 20 year period immediately preceding the date an Employee first had a required contribution made on his behalf to the Trust Fund.

(2) Except as provided in subsection (3) below, for Participants coming under the Plan on January 1, 1975 or on a subsequent date - the 10 year period immediately preceding the date an Employee first has a required contribution made on his behalf to the Trust Fund, provided, however, that for any Participants coming under the Plan after December 31, 1978, Credited Past Service which would otherwise be granted under this Section shall not exceed the amount of Credited Future Service earned by that Participant.

(3) For Participants coming under the Plan on or after June 1, 1992, who are employed by an Individual Employer which, (i) in the first month that it makes required contributions, makes the contributions on behalf of 100 or more Employees who have an average age of 40 years or less, as determined by the Trust Fund, and (ii) which so elects in writing prior to first making required contributions, the following rules will apply instead of the rules of subsection (2):

(A) For an Employee who earns two Years of Credited Future Service, Credited Past Service shall include work with the electing Individual Employer during the five year period immediately preceding the date the Employee first has a required contribution made on his behalf to the Trust Fund by that Individual Employer;

(B) For Employees who do not earn two Years of Credited Future Service, no Credited Past Service shall be granted.

(4) Notwithstanding any other provision of this Plan, for Participants coming under the Plan during or after 1978, no Past Service Retirement Benefit shall be granted for any calendar quarter during or for which the Participant accrued benefits payable under any other pension plan.

The term "Year of Credited Past Service" as used herein means four quarters of credited past service performed prior to the date the Employee first has a required contribution made on his behalf to the Trust Fund. In determining the number of Years of Credited Past Service, each quarter of a year during which the Employee performed any credited work for an individual Employer shall be counted as a full calendar quarter.

(5) Any Credited Past Service earned by an Employee of an Employer which avoids withdrawal liability under Title IV, Subtitle E of ERISA, as amended, as a result of a Trust Agreement rule adopted under ERISA Section 4210, shall be immediately cancelled.

(b) *Credited Future Service.*

(1) For Service completed prior to January 1, 1976. The term "Years of Credited Future Service" as used herein means the total number of monthly payments made into the Trust Fund for an Employee by all Individual Employers after September 1, 1955 and before January 1, 1976 (excluding all payments in excess of twelve monthly payments for each Employee during any calendar year, and all payments in excess of one payment for any calendar month) divided by twelve. In determining the number of Years of Credited Future Service, fractions of a Year of Credited Future Service (but not less than 1/12) shall be taken into account.

(2) For Service completed on or after January 1, 1976. The Employee will be credited with one Year of Credited Future Service for each calendar year period subsequent to January 1, 1976 during which the Employee completes five (5) or more Months of Covered Service. No fractional credit is given.

Section 3.04 - Break in Service

(a) Effective January 1, 1976, a One Year Break in Service occurs at the end of any Plan Year during which a Participant has not completed at least either:

(1) five Months of Covered Service, or

(2) 501 Hours of Service, including both Covered Service and Related Non-Covered Service.

However, no Break in Service shall occur during a Plan Year if the Participant's failure to meet the requirements stated above was solely due to any of the following causes:

(A) a disability which incapacitates the Participant from engaging in Covered Service;

(B) service in the Armed Forces;

(C) engaging in this Industry in an ineligible classification.

(b) If at the time of his Break in Service the Participant did not satisfy the requirements for vested Benefits under Section 4.05, his participation shall end at that time, and all his Credited Service shall be forfeited, subject to restoration only if the requirements set forth in subsection (e) below are met.

(c) If at the time of his Break in Service the Participant satisfied the requirements for full or partial vested Benefits under Section 4.05, his participation shall end at that time but his Credited Service shall not be forfeited.

(d) When participation ends as a result of a Break in Service, the Participant's rights under the Plan based on Credited Service accrued prior to the Break in Service shall be determined in accordance with the Plan provisions in effect when the Break in Service occurred.

(e) When a Participant's Credited Service is forfeited as a result of a Break in Service, the pre-Break Credited Service shall be restored if the individual again qualifies as a Participant by returning to Covered Service, but only if the renewed participation begins before a Permanent Break in Service occurs. A Permanent Break in Service occurs when the number of the Participant's consecutive One-Year Break in service equals or exceeds his Years of Credited Service. Beginning January 1, 1986, no Permanent Break in Service will occur before there have been five consecutive One-Year Breaks in Service.

Section 3.05 - Related Credited Service

(a) *Purpose.* Related Credited Service is provided under this Plan for Participants who would otherwise be ineligible for a pension under this Plan because their years of employment have been divided between employment creditable under this Plan and employment creditable under another pension plan.

(b) *Related Plans.* By resolution duly adopted, the Board of Trustees may recognize another pension plan as a Related Plan.

(c) *Related Credited Service.* Years of service creditable under a Related Plan to a Participant shall be recognized under this Plan as a Related Credited Service. The total of a Participant's Related Credited Service and the Pension Credits which he has accumulated and maintained directly under this Plan shall be known as his combined Credited Service. For the purposes of this Plan, the term Related Credited Service does not include employment creditable under any pension plan which is not recognized by the Board of Trustees of this Plan as a related Plan.

(d) *Eligibility for Related Credited Service.* A participant shall be eligible for Related Credited Service if he meets the following requirements:

(1) He would be eligible for a Normal, Unreduced Early Retirement or Disability Pension under this Plan if his Combined Credited Service is treated as Credited Service as defined in this Plan; and

- (2) He has at least 2 years of Credited Future Service under this Plan.

Related Credited Service shall be construed in determining whether a Break in Service has occurred as set forth in Section 3.04 of Article III to determine whether prior Combined Credited Service shall be cancelled.

(e) *Payment.* Payment of Retirement Benefits pursuant to this Section shall be subject to all the conditions applicable to this Plan, including, without limitation, the requirements for retirement as defined in Article IV.

With respect to any Related Plan, this Section shall apply only to participants who retire under this Plan and said Related Plan after the effective date of the adopted resolution which recognizes that Related Plan.

Section 3.06 - Recognized Unrelated Credited Service

The Board of Trustees may by resolution apply the rules set forth in Section 3.05 to Participants who performed work of the type covered by collective bargaining agreements that require contributions to this Plan and who were covered by a collective bargaining agreement that required contributions to a labor-management jointly negotiated pension plan other than this Plan and provided further that such Participant's Recognized Unrelated Credited Service was performed in the geographical areas of the following thirteen Western States: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming.

Section 3.07 - Alumni Participation Rules

For periods prior to January 1, 1994, an Alumni employed by the Union or an Individual Employer participating in the Plan pursuant to a written Pension Agreement will have all of his Hours of Service with his Employer which are covered by such Pension Agreement treated as Hours of Service as a Collectively Bargained Employee to the extent provided in the Pension Agreement. For periods beginning on or after January 1, 1994, an Alumni's Hours of Service will be treated as Hours of Covered Service for all purposes of the Plan in accordance with the following rules:

(a) An Alumni who performs service for one or more Individual Employers, or for the Union, both as a Collectively Bargained Employee and as a noncollectively bargained employee during a Plan Year will be treated as a Collectively Bargained Employee for the entire Plan Year if at least half of the Alumni's Hours of Service during the Plan Year were performed as a Collectively Bargained Employee if the Pension Agreement covering him so provides.

(b) An Alumni who was a Collectively Bargained Employee during a Plan Year (or treated as such under other provisions of this Section 3.07 with respect to all of his Hours of Service during a Plan Year) will be treated as a Collectively Bargained Employee with respect to all his Hours of Service for the duration of the collective bargaining agreement in effect during that Plan Year, or if later, until the end of the following Plan Year, if the Pension Agreement covering him so provides.

(c) An Alumni who was treated as a Collectively Bargained Employee under subsection (b) above, will be treated as a Collectively Bargained Employee thereafter, providing the Alumni is

performing services for the Union or an Individual Employer and the Pension Agreement covering him so provides. This subsection (c) will not apply if more than five percent of the employees covered by the Plan are noncollectively bargained employees determined without application of this subsection (c). Employees treated as Collectively Bargained Employees under subsections (a) and (b) will be deemed to not be noncollectively bargained employees for purposes of this subsection (c).

ARTICLE IV

Eligibility for Retirement Benefits

Section 4.00 – Applicability of Benefit Adjustments

In accordance with the Rehabilitation Plan adopted by the Board of Trustees, the benefit adjustments described in Sections 4.02(b), 4.04(b), 6.03(b), 6.04(b), 6.05(b), 7.02(b), 7.03(b), 7.04(b) and 7.04(d)(2) apply on the following effective dates:

(a) For an Employee who (1) did not incur a One Year Break in Service as of December 31, 2007 or (2) had an employer contribution required for any month between January 1, 2008 and June 30, 2008 and a total of five months of required employer contributions in 2008, (hereinafter referred to as an “active” Participant); the effective date shall be when the collective bargaining agreement of the employer of the active Participant is renewed on or after April 27, 2008 – but no later than 180 days following the expiration date of the collective bargaining agreement in effect on April 27, 2008. An active Participant’s employer for this purpose will be the Participant’s most recent employer prior to retirement. The effective date for an Active Participant shall apply to the Dependents of the active Participant.

(b) For a Participant who incurred a One-Year Break in Service as of December 31, 2007 and who either:

(1) did not have an employer contribution required for any month between January 1, 2008 and June 30, 2008 or

(2) did not have a total of five months of required employer contributions in 2008, (hereinafter referred to as a “terminated vested” Participant):

the effective date shall be July 1, 2008.

(c) For a Participant who:

(1) is an active Participant and is not a Collectively Bargained Employee with his last employer before his effective date of retirement,

(2) is employed in Related Non-Covered Service,

(3) is employed in Related Credited Service in the jurisdiction of a Related Plan,

or

(4) is employed in Recognized Unrelated Credited Service:

the effective date shall be July 1, 2009.

(d) For Plan Years beginning on and after January 1, 2009, a Participant (1) whose effective date of retirement is after December 31, 2008, and (2) who incurs a One Year Break in

Service, as defined in Section 3.04, above, at the end of a Plan Year beginning after December 31, 2008, and before the Participant's effective date of retirement, is subject to the benefit adjustments under any Rehabilitation Plan of the this Plan in effect as of the end of the Plan Year in which the One Year Break in Service occurs.

(e) The effective date of the benefit adjustments in Section 4.03 are set forth in that section. In any event, the benefit adjustments in Sections 4.02(b), 4.03, 4.04(b), 6.03(b), 6.04(b), 6.05(b), 7.02(b), 7.03(b), 7.04(b) and 7.04(d)(2) do not apply to Pensioners, surviving spouses and Alternate Payees with a benefit commencement date before July 1, 2008.

Section 4.01 - Normal Retirement Eligibility Date

The Normal Retirement Eligibility Date for a Participant shall be the earlier of his or her Normal Retirement Age, as defined in Section 1.03, or the later of:

(a) The first day of the calendar month following the calendar month in which such Participant attains the age of 65 years.

(b) The first day of the calendar month following the calendar month in which the Participant then has five Years of Credited Service. Participants who came under the Plan on or after September 1, 1961 must have at least 24 months of Credited Future Service.

Section 4.02 - Unreduced Retirement Eligibility Dates

(a) The eligibility rules of this Section 4.02(a) apply only to a Participant whose benefits are not subject to adjustment under Section 4.00.

(1) The Unreduced Retirement Eligibility Date for a Participant with at least Five Years of Credited Future Service shall be the first day of the calendar month following the month during which the Participant attains the age of 62, or the first day of any month thereafter until the month in which he attains age 65.

(2) The Unreduced Rule of 85 Retirement Eligibility Date shall be the first day of the calendar month following the month in which the sum of the following numbers applicable to the Participant totals at least 85:

(A) Age of the Participant (for this purpose, each completed month after a Participant's birthday shall count as one-twelfth (1/12) of a year), plus

(B) Credited Future Service of the Participant, including fractions in one-twelfths (1/12s) where permitted under the Plan. For purposes of this subsection, Credited Future Service shall not include Credited Past Service, Related Non-Covered Service, Related Credited Service or Recognized Unrelated Credited Service.

(b) A Participant whose benefits are subject to adjustment under Section 4.00 is not eligible for an Unreduced Retirement or an Unreduced Rule of 85 Retirement.

Section 4.03 - Early Retirement Eligibility Date

(a) For participants whose benefits are not subject to adjustment under Subsection 4.03(b), below, the Early Retirement Eligibility Date shall be the first day of the calendar month in which the Participant attains the age of 55, or the first day of any calendar month thereafter until the calendar month preceding the calendar month in which he attains the age of sixty-five (65) years; provided that the Early Retirement Eligibility Date shall not be any date prior to the date the Participant has a total of at least sixty (60) months of Credited Future Service.

(b) For effective dates of retirement on or after February 1, 2011 and prior to January 1, 2015, the Early Retirement Benefit is eliminated for participants who did not earn in the Plan Year ended December 31, 2010, or in any full Plan Year thereafter prior to their effective date of retirement:

(1) Five Months of Covered Service or

(2) 501 Hours of Service (including both Covered and Related Non-Covered Service).

This sub-paragraph applies to the Automatic Joint and Survivor Benefit Before Retirement and to an alternate payee under a Qualified Domestic Relations Order of the Participant.

(c) For effective dates of retirement on or after January 1, 2015, the Early Retirement Benefit is eliminated for participants who incurred a One-Year Break in Service as defined in Section 3.04(a) in the Plan Year prior to their effective date of retirement.

This sub-paragraph applies to the Automatic Joint and Survivor Benefit Before Retirement and to an alternate payee under a Qualified Domestic Relations Order of the Participant.

Section 4.04 - Disability Retirement Eligibility Date

(a) The eligibility rules of this Section 4.04(a) apply only to a Participant whose benefits are not subject to adjustment under Section 4.00.

The Disability Eligibility Retirement Date shall be the first day of the calendar month (prior to the first day of the calendar month in which the Participant attains the age of sixty-two (62) years) following the month that a Participant first had a Total Disability, as determined by the Social Security Administration for purposes of award of Title II disability benefits. Provided, further, that (a) the Disability Retirement Date shall not be any date prior to the date the Participant has a total of at least five (5) years of Credited Past Service and Credited Future Service and (b) such disability shall have occurred or originated while the Participant was employed by an Employer and prior to the termination of Employer Contributions on his account or, alternatively, that such disability shall have occurred or originated within twelve (12) months of the termination of the Employer Contributions on his account. Eligibility for a Disability Retirement Benefit shall cease on the last day of the month in which the Participant ceased to have a Total Disability.

(b) A Participant whose benefits are subject to adjustment under Section 4.00 is not eligible for a Disability Retirement.

Section 4.05 - Vesting

Upon application to the Trustees, the Participants shall receive such retirement Benefits as they may be entitled to under this Plan based on (1) their Vested status and (2) their Credited Service. Related Non-Covered Service shall be considered Covered Service for purposes of vesting. No payments of any kind other than those provided for by this Plan shall be made to any Former Employee.

A Participant's vested status will be determined under the following rules:

- (a) Any Participant upon attaining his Normal Retirement Age shall be fully vested.
- (b) Any Participant who has at least five (5) Years of Credited Service, of which at least twenty-four (24) months shall have been Credited Future Service, shall be fully vested if either of the following conditions is met:
 - (1) He earned more than one Hour of Service on or after January 1, 1997; or
 - (2) His accrual of benefits under the Plan was not a result of work under a collective bargaining agreement and he had at least an Hour of Service on or after January 1, 1989.
- (c) Any Participant who does not meet the requirements of either (a) or (b) above will become fully vested when he has a total of at least ten (10) Years of Credited Service, of which at least twenty-four (24) months shall have been Credited Future Service. Any such Participant with less than ten (10) Years of Credited Service but with at least twenty-four (24) months of Credited Future Service becomes vested as follows:

| <u>CREDITED SERVICE</u> | <u>VESTED PERCENT AGE</u> |
|-------------------------|---------------------------|
| 5 years | 50% |
| 6 years | 60% |
| 7 years | 70% |
| 8 years | 80% |
| 9 years | 90% |
| 10 years | 100% |

Section 4.06 - Required Beginning Date

Any Participant who attains age 70 ½ must begin receiving Plan benefits by April 1 of the year following the calendar year in which the Participant attains age 70 ½. If the Participant continues to accrue benefits under the Plan after attaining age 70 ½, the following rules will be applied:

- (a) In no event will the Participant's benefits be suspended after the required beginning date for work described in Section 5.02.
- (b) The distribution required to begin on April 1, will include all benefits accrued to that date.

(c) If any additional benefits are accrued after the required beginning date, annual distribution of such amounts as a separate identifiable component will start with the first monthly payment in the calendar year immediately following the calendar year in which such amounts accrue. In calculating this amount, the normal benefit accrual shall be reduced (but not below zero) by the Actuarial Equivalent of the total Plan benefit distributions made to the Participant during the Plan Year, provided that the distributions used in this calculation are limited to those that could have been suspended under Section 5.02 but for this age 70 ½ distribution rule.

Section 4.07 - Required Minimum Distributions

(a) *General Rules*

(1) **Precedence and Effective Date.** The requirements of this Section 4.07 shall apply for the purposes of determining minimum required benefits for calendar years beginning after December 31, 2002. The requirements of this Section 4.07 are intended to comply with Code Section 401(a)(9) and will take precedence over any inconsistent provisions of this Plan. However, this Section 4.07 does not provide any benefit or right not otherwise provided under the provisions of this Plan.

(2) **Requirements of Treasury Regulations Incorporated.** All distributions required under this Section 4.07 shall be determined and made in accordance with Code Section 401(a)(9), including the incidental death benefit requirement in Internal Revenue Code Section 401(a)(9)(G), and the Income Tax Regulations thereunder.

(3) **Limits on Distribution Periods.** As of the first distribution calendar year, distributions to a Participant, if not made in a single sum, may only be made over one of the following periods:

- (A) the life of the Participant,
- (B) the joint lives of the Participant and a designated beneficiary,
- (C) a period certain not extending beyond the life expectancy of the Participant, or
- (D) a period certain not extending beyond the joint life and last survivor expectancy of the Participant and a designated beneficiary.

(b) *Time and Manner of Distribution*

(1) **Required Beginning Date.** The Participant's entire interest will be distributed, or begin to be distributed, no later than the Participant's required beginning date determined under Section 4.06.

(2) **Death of Participant Before Distributions Begin.** If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

(A) If the Participant's surviving spouse is the Participant's sole designated beneficiary, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70½, if later.

(B) If the Participant's surviving spouse is not the Participant's sole designated beneficiary, distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

(C) If there is no designated beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(D) If the Participant's surviving spouse is the Participant's sole designated beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse are required to begin, this Section 4.07(b)(2)(D), other than Section 4.07(b)(2)(A), will apply as if the surviving spouse were the Participant.

For purposes of this Section 4.07(b)(2) and Section 4.07(e), unless Section 4.07(b)(2)(D) applies, distributions are considered to begin on the Participant's required beginning date. If Section 4.07(b)(2)(D) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under Section 4.07(b)(2)(A). If distributions under an annuity meeting the requirements of this Section 4.07 commence to the Participant before the Participant's required beginning date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under Section 4.07(b)(2)(A), the date distributions are considered to begin is the date distributions actually commence.

(3) Forms of Distribution Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with Sections 4.07(c), (d), or (e) of this Section 4.07. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Internal Revenue Code 401(a)(9) and Section 1.401(a)(9) of the Treasury Regulations.

(c) *Determination of Amount to be Distributed Each Year*

(1) **General Annuity Requirements.** If the Participant's interest is to be paid in the form of annuity distributions under the plan, payments under the annuity shall satisfy the following requirements:

(A) the annuity distributions will be paid in periodic payments made at uniform intervals not longer than one year;

(B) the distribution period will be over a life (or lives) or over a period certain not longer than the period described in Section 4.07(d) or (e);

(C) once payments have begun over a period, the period will be changed only in accordance with Section 4.07(f) of this article;

(D) payments will either be nonincreasing or increase only as follows:

(i) by an annual percentage increase that does not exceed the percentage increase in an eligible cost-of-living index for a 12-month period ending in the year during which the increase occurs or a prior year;

(ii) by a percentage increase that occurs at specified times and does not exceed the cumulative total of annual percentage increases in an eligible cost-of-living index since the annuity starting date, or if later, the date of the most recent percentage increase;

(iii) by a constant percentage of less than 5 percent per year, applied not less frequently than annually;

(iv) as a result of dividend or other payments that result from actuarial gains, provided:

(1) actuarial gain is measured not less frequently than annually,

(2) the resulting dividend or other payments are either paid no later than the year following the year for which the actuarial experience is measured or paid in the same form as the payment of the annuity over the remaining period of the annuity (beginning no later than the year following the year for which the actuarial experience is measured),

(3) the actuarial gain taken into account is limited to actuarial gain from investment experience,

(4) the assumed interest rate used to calculate such actuarial gains is not less than 3 percent, and

(5) the annuity payments are not increased by a constant percentage as described in Section (iii) of this Section 4.07(c)(1)(D);

(v) to the extent of the reduction in the amount of the Participant's payments to provide for a survivor benefit, but only if there is no longer a survivor benefit because the beneficiary whose life was being used to determine the distribution period described in Section 4.07(d) dies or is no longer the Participant's beneficiary pursuant to a qualified domestic relations order within the meaning of Code Section 414(p);

(vi) to provide a final payment upon the Participant's death not greater than the excess of the actuarial present value of the Participant's accrued benefit (within the meaning of Code Section 411(a)(7)) calculated as of the annuity starting date using the applicable interest rate defined in Section 11.04 of the Plan and the applicable mortality table defined in Section 11.04 of the Plan over the total of payments before the Participant's death;

(vii) to allow a beneficiary to convert the survivor portion of a joint and survivor annuity into a single sum distribution upon the Participant's death; or

(viii) to pay increased benefits that result from a Plan amendment.

(2) Amount Required to be Distributed by Required Beginning Date and Later Payment Intervals. The amount that must be distributed on or before the Participant's required beginning date (or, if the Participant dies before distributions begin, the date distributions are required to begin under Section 4.07(b)(2)(A) or (B)) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. All of the Participant's benefit accruals as of the last day of the first distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Participant's required beginning date.

(3) Additional Accruals After First Distribution Calendar Year. Any additional benefits accruing to the Participant in a calendar year after the first distribution calendar year will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such benefit accrues.

(d) Requirements For Annuity Distributions That Commence During Participant's Lifetime

(1) Joint Life Annuities Where the Beneficiary Is Not the Participant's Spouse. If the Participant's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Participant and a nonspouse beneficiary, annuity payments to be made on or after the Participant's required beginning date to the designated beneficiary after the Participant's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Participant, using the table set forth in Treasury Regulation Section 1.401(a)(9)-6, Q&A 2(c)(2), in the manner described in Q&A 2(c)(1), of the regulations, to determine the applicable percentage. If the form of distribution combines a joint and survivor annuity for the joint lives of the Participant and a nonspouse beneficiary and a period certain annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the designated beneficiary after the expiration of the period certain.

(2) Period Certain Annuities. Unless the Participant's spouse is the sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the Participant's lifetime may

not exceed the applicable distribution period for the Participant under the Uniform Lifetime Table set forth in Treasury Regulation Section 1.401(a)(9)–9, Q&A-2, for the calendar year that contains the annuity starting date. If the annuity starting date precedes the year in which the Participant reaches age 70, the applicable distribution period for the Participant is the distribution period for age 70 under the Uniform Lifetime Table set forth in Treasury Regulation Section 1.401(a)(9)–9, Q&A-2, plus the excess of 70 over the age of the Participant as of the Participant’s birthday in the year that contains the annuity starting date. If the Participant’s spouse is the Participant’s sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Participant’s applicable distribution period, as determined under this Section 4.07(d)(2), or the joint life and last survivor expectancy of the Participant and the Participant’s spouse as determined under the Joint and Last Survivor Table set forth in Treasury Regulation Section 1.401(a)(9)–9, Q&A-3, using the Participant’s and spouse’s attained ages as of the Participant’s and spouse’s birthdays in the calendar year that contains the annuity starting date.

(e) *Requirements For Minimum Distributions After the Participant’s Death*

(1) **Death After Distributions Begin.** If the Participant dies after distribution of his or her interest begins in the form of an annuity meeting the requirements of this article, the remaining portion of the Participant’s interest will continue to be distributed over the remaining period over which distributions commenced.

(2) **Death Before Distributions Begin.**

(A) **Participant Survived by Designated Beneficiary.** If the Participant dies before the date distribution of his or her Interest begins and there is a designated beneficiary, the Participant’s entire interest will be distributed, beginning no later than the time described in Section 4.07(b)(2)(A) or (B), over the life of the designated beneficiary or over a period certain not exceeding:

(i) unless the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary’s age as of the beneficiary’s birthday in the calendar year immediately following the calendar year of the Participant’s death; or

(ii) if the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary’s age as of the beneficiary’s birthday in the calendar year that contains the annuity starting date.

(B) **No Designated Beneficiary.** If the Participant dies before the date distributions begin and there is no designated beneficiary as of September 30 of the year following the year of the Participant’s death, distribution of the Participant’s entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant’s death.

(C) **Death of Surviving Spouse Before Distributions to Surviving**

Spouse Begin. If the Participant dies before the date distribution of his or her interest begins, the Participant's surviving spouse is the Participant's sole designated beneficiary, and the surviving spouse dies before distributions to the surviving spouse begin, this subsection (e) will apply as if the surviving spouse were the Participant, except that the time by which distributions must begin will be determined without regard to Section 4.07(b)(2)(A).

(f) *Changes to Annuity Payment Period*

(1) Permitted Changes. An annuity payment period may be changed only in association with an annuity payment increase described in Section 4.07(b)(2)(A) or in accordance with Section 4.07(f)(2).

(2) Reannuitization. An annuity payment period may be changed and the annuity payments modified in accordance with that change if the conditions in Section 4.07(f)(3) are satisfied and:

(A) the modification occurs when the Participant retires or in connection with a plan termination;

(B) the payment period prior to modification is a period certain without life contingencies; or

(C) the annuity payments after modification are paid under a qualified joint and survivor annuity over the joint lives of the Participant and a designated beneficiary, the Participant's spouse is the sole designated beneficiary, and the modification occurs in connection with the Participant's becoming married to such spouse.

(3) Conditions. The conditions in this Section 4.07(f)(3) are satisfied if:

(A) the future payments after the modification satisfy the requirements of Code Section 401(a)(9), Section 1.401(a)(9) of the Treasury Regulations, and this Section 4.07 (determined by treating the date of the change as a new annuity starting date and the actuarial present value of the remaining payments prior to modification as the entire interest of the Participant);

(B) for purposes of Code Sections 415 and 417, the modification is created as a new annuity starting date;

(C) after taking into account the modification, the annuity (including all past and future payments) satisfies the requirements of Code Section 415 (determined at the original annuity starting date, using the interest rates and mortality tables applicable to such date); and

(D) the end point of the period certain, if any, for any modified payment period is not later than the end point available to the employee at the original annuity starting date under Code Section 401(a)(9) and this Section 4.07.

(g) *Payments to a Surviving Child*

(1) **Special rule.** For purposes of this Section 4.07, payments made to a Participant's surviving child until the child reaches the age of majority (or dies, if earlier) shall be treated as if such payments were made to the surviving spouse to the extent the payments become payable to the surviving spouse upon cessation of the payments to the child.

(2) **Age of majority.** For purposes of this Section, a child shall be treated as having not reached the age of majority if the child has not completed a specified course of education and is under the age of 26. In addition, a child who is disabled within the meaning of Code Section 72(m)(7) when the child reaches the age of majority shall be treated as having not reached the age of majority so long as the child continues to be disabled.

(h) *Definitions*

(1) **Actuarial gain.** The difference between an amount determined using the actuarial assumptions (*i.e.*, investment return, mortality, expense, and other similar assumptions) used to calculate the initial payments before adjustment for any increases and the amount determined under the actual experience with respect to those factors. Actuarial gain also includes differences between the amount determined using actuarial assumptions when an annuity was purchased or commenced and such amount determined using actuarial assumptions used in calculating payments at the time the actuarial gain is determined.

(2) **Designated beneficiary.** The individual who is designated by the Participant (or the Participant's surviving spouse) as the beneficiary of the Participant's interest under the plan and who is the designated beneficiary under Code Section 401(a)(9) and Section 1.401(a)(9)–4 of the Treasury Regulations.

(3) **Distribution calendar year.** A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin pursuant to Section 4.07(b)(2).

(4) **Eligible cost-of-living index.** An index described in subsections (b)(2), (b)(3) or (b)(4) of Section 1.401(a)(9)–6, Q&A-14, of the Treasury Regulations.

(5) **Life expectancy.** Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)–9, Q&A-1, of the Treasury Regulations.

ARTICLE V

Payment of Retirement Benefits

Section 5.01 - General Payment Provision

Every Participant retiring at or after the applicable Eligibility Date of Article IV shall receive a retirement Benefit from the Trust Fund.

The effective date of retirement of a Participant shall be deemed to be the first day of the calendar month following the calendar month in which the Trustees approve a written Application and, if applicable, the certification described in this Section 5.01; or in the case of retirement for Total and Permanent Disability, the calendar month in which the Trustees make the determination required by Section 4.04 of Article IV. Benefits become payable on the first day of the calendar month in which the Participant becomes eligible as set forth above, and on the first day of each succeeding calendar month for the remainder of the Participant's life, subject to the qualifications herein contained.

No such Retirement Benefits shall be paid, however, unless the Participant makes written application therefore. In addition, if a Participant is less than age 65, no payment of Retirement Benefits shall occur unless the Participant certifies to the Trustees that he or she has retired at the applicable Retirement Date and that he or she is not engaged in any work for which Employer Contributions are required on his or her account as of the Retirement Eligibility Date, and the Trustees approve such certification. In the case of Retirement for Total and Permanent Disability, no such retirement benefits shall be paid unless the Trustees make the determination provided for by Section 4.04 of Article IV.

No such Retirement Benefits for any Unreduced, Early or Disability Retirement shall be made retroactively for a period of more than six (6) months from the date of the Application therefore.

Such retirement Benefit is hereinafter referred to as the "Monthly Retirement Benefit."

Section 5.02 - Working After Retirement

(a) *General Rule.* If a Retired Participant is re-employed or is self-employed in any of the counties which make up the San Francisco, Oakland, or San Jose greater metropolitan areas, any other metropolitan area in which a covered Employee is employed, or any county in which a covered Employee is employed, then if the Retired Participant is performing work of the type which is also performed by a covered Employee in such county or metropolitan area (or supervisory activity related thereto) and work in a trade or craft in which the employee was employed, at any time under the Plan, the Retired Participant shall lose retirement benefits for each month during which he or she is employed in work of that type for more than forty (40) hours.

(1) For purposes of this Section, "trade or craft" means (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 relating to such skill or skills.

(2) The Retired Participant shall not be entitled to retirement benefits for any calendar month of such employment, after which period he or she shall again be entitled to benefits.

(3) A Retired Participant shall notify the Plan in writing within fifteen (15) days after starting any work of the type that is, or may be, described under the provisions of this Section.

(b) *Exceptions to General Rule.* Notwithstanding the general rule of subsection (a), the following exceptions to it will be applied:

(1) If in any month it is only Contributing Employers who re-employ the Retired Participant for more than forty (40) Hours of Covered Service, no loss of retirement benefits will occur for that month, but this exception

(A) shall not apply during the first ninety (90) days following the effective date of retirement, with respect to benefits accrued on or after January 1, 2004, and

(B) shall not apply for more than three (3) months in any calendar year.

(2) In applying the rules of subsections (a) and (b) of this Section 5.02, if for any week a person receives disability benefits under the Automotive Industries Welfare Plan or any other welfare plan to which a Contributing Employer contributes, he or she will be deemed to have forty-five (45) hours of Covered Service for Contributing Employers and therefore his or her pension will be suspended for that month. The suspension of retirement benefits under this subsection (b)(2) is subject to the following limitations:

(A) the suspension of benefits shall not apply during the first three (3) months of the disability payments made by the welfare plan; and

(B) for any month in which this results in a suspension of retirement benefits, the amount suspended shall not exceed the amount of the disability payments made for that month by the welfare plan.

(C) the suspension of benefits shall not apply with respect to benefits accrued before January 1, 1993.

(3) Notwithstanding any other provision herein, retirement benefits accrued before September 1, 1982, will only be suspended for work with a contributing employer.

(c) *Additional Benefits.* A Retired Participant who actually works in Covered Service shall be granted additional retirement benefits on the basis of the Employer Contributions received by the Trust fund on his or her behalf during a calendar year, provided that at least five (5) such Employer Contributions were received by the Trust Fund during the calendar year, and provided further that such Retirement Participant makes written application for such additional retirement benefits in accordance with the applicable provisions of Section 5.01. Such additional retirement benefits shall be determined under the applicable provisions of Article VI at his or her then attained age and

(1) in the case of an initial applicable Retirement Date which occurs on or after the Normal Retirement Age of the Participant, shall be made payable in the benefit form received by the Participant under Article VII at the time benefits first commenced under this Plan; and

(2) in the case of an initial applicable Retirement Date prior to the Normal Retirement Age of the Participant, shall be made payable in the benefit form separately determined under Article VII.

ARTICLE VI

Amount of Monthly Retirement Benefits

Section 6.01 - Amount of Vested Benefit

A Vested Participant eligible to receive a Monthly Retirement Benefit in accordance with the provisions of Article IV and Article V, shall have such Benefit calculation based upon his Vested Percentage.

Section 6.02 - Amount of Normal Retirement Benefit

Applicable to retirements on or after January 1, 1999, for retirement benefits that begin at or after the Normal Retirement Eligibility Date, a Participant shall receive Monthly Retirement Benefit equal to the sum of (a) and/or (b) below multiplied by his Vested Percentage.

(a) *Past Service Retirement Benefit.* \$10.00 times the number of Years of Credited Past Service.

(b) *Future Service Retirement Benefit.*

(1) \$5.00 for each \$100 contributed on behalf of the Participant by an Employer for work on or after September 1, 1955 and before July 1, 2003.

(2) \$3.00 for each \$100 contributed on behalf of the Participant by an Employer for work on or after July 1, 2003 and before January 1, 2005.

(3) For work before January 1, 2005, in any case, the Benefit for twelve (12) months of Credited Future Service shall not be less than the Benefit for a full year of Credited Past Service computed as above.

(4) For work on and after January 1, 2005 but before July 1, 2008:

(A) \$0.50 for each \$100 contributed for the portion of monthly contributions less than or equal to \$250;

(B) \$1.00 for each \$100 contributed for the portion of monthly contributions greater than \$250 but less than or equal to \$500;

(C) \$2.00 for each \$100 contributed for the portion of monthly contributions greater than \$500.

(5) \$1.00 for each \$100 contributed on behalf of the Participant by an Employer for work on or after July 1, 2008.

Section 6.03 – Amount of Unreduced Retirement Benefit

(a) This Subsection 6.03(a) applies only to a Participant whose benefits are not subject to adjustment under Section 4.00, as described in Section 4.02.

(1) Effective January 1, 1986, for retirement benefits that begin at or after the Unreduced Retirement Eligibility Date, a Participant shall receive a Monthly Retirement Benefit computed in the same manner provided in Section 6.02 for Normal Retirement Benefits.

(2) Effective October 1, 1997, for retirement benefits that begin at or after the Unreduced Rule of 85 Retirement Eligibility Date, a Participant shall receive a Monthly Retirement Benefit computed in the same manner provided in Section 6.02 for Normal Retirement Benefits.

(b) A Participant whose benefits are subject to adjustment under Section 4.00 is not eligible for a Unreduced Retirement Benefit.

Section 6.04 - Amount of Early Retirement Benefit

(a) This Subsection 6.04(a) applies only to a Participant whose benefits are not subject to adjustment under Section 4.00.

For retirements effective on or after January 1, 1986, the amount of Monthly Retirement Benefits payable on retirement on or after the Early Retirement Eligibility date and prior to the Normal Retirement Eligibility Date shall be calculated by determining the amount of Monthly Retirement Benefit the Participant would have received if he were 62 years of age at the time of his early retirement and reducing that amount by 1/4 of 1% for each month (3% annually) that the Participant is younger than 62 on the effective date of his early retirement.

If the retirement of a Participant occurred before January 1, 1986, the Early Retirement provision of this Plan in effect on the date of retirement shall apply.

(b) For a Participant whose benefits are subject to adjustment under Section 4.00 the amount of Monthly Retirement Benefits payable on retirement on or after the Early Retirement Eligibility date and prior to the Normal Retirement Eligibility Date shall be calculated by determining the Actuarial Equivalent of the Monthly Retirement Benefit at the Participant's Normal Retirement Age.

(c) A Participant whose benefits are subject to Section 4.03(b) is not eligible for an Early Retirement Benefit.

Section 6.05 - Amount of Disability Retirement Benefit

(a) This Subsection 6.05(a) applies only to a Participant whose benefits are not subject to adjustment under Section 4.00.

The amount of the Monthly Retirement Benefit payable upon retirement on the Disability Retirement Eligibility Date shall be calculated by determining the amount if he were 65 years of age at the time his disability pension is to be effective.

(b) A Participant whose benefits are subject to adjustment under Section 4.00 is not eligible for a Disability Retirement Benefit.

ARTICLE VII

Benefit Payment Provisions - Before and After Retirement

Section 7.01 - Automatic Joint and Survivor Benefit Before Retirement

If a Vested Participant dies after becoming eligible for Normal, Unreduced, Unreduced Rule of 85 or Early Retirement Benefits and is survived by a spouse to whom the Participant has been lawfully married for at least one (1) year, then the surviving spouse shall receive the Automatic Joint and Survivor Benefit described in Section 7.03, based upon the Participant's Vested status and Credited Service, as if the Participant had actually retired immediately preceding the date of his death.

Subject to the exception set forth in this subparagraph for Participants for whom Early Retirement Benefits have been eliminated, if a Vested Participant dies at any age before becoming eligible for Normal, Unreduced, Unreduced Rule of 85 or Early Retirement Benefits, and is survived by a spouse to whom he has been lawfully married for at least one (1) year, then the surviving spouse will receive the Automatic Joint and Survivor Benefit as described in Section 7.03, based upon the deceased Participant's Vested status and Credited Service, but such benefits will not begin until the earliest date at which the Participant would have otherwise been eligible under Article IV for Retirement Benefits had he not died. If a vested Participant for whom the Early Retirement Benefit has been eliminated under Article IV dies, the surviving spouse, and ex-spouses under a Qualified Domestic Relations Order will not be entitled to Retirement Benefits until the earliest date at which the Participant would have otherwise been eligible for a Normal Retirement Benefit.

In lieu of the Automatic Joint and Survivor Benefit, the surviving spouse of a Participant whose benefits are not subject to adjustment under Section 4.00 may elect instead the death benefit described in Section 7.02.

Section 7.02 - Death Benefits Before Retirement

(a) For a Participant whose benefits are not subject to adjustment under Section 4.00, if a Vested Participant, married or unmarried, dies before becoming eligible for any of the benefits described in Section 7.01, payments may be made to the surviving spouse, or to the eligible Dependents if there is no surviving spouse, in an amount equal to the Vested Percentage of the total of the contributions made on account of the Participant's employment, payable over a period of 36 months. In the case of unmarried Participants or married Participants whose spouses are either ineligible for the Automatic Joint and Survivor Benefit under Section 7.01 or elect not to receive it, the surviving spouse, *or the Eligible Dependents if there is no surviving spouse*, will receive--if greater--36 monthly payments of the calculated rate of the Normal, Unreduced or Early Retirement Benefit which would have been payable to the Participant had he retired at the time of his death. Any benefits payable because of the death of a Participant shall be reduced by any Disability Retirement Benefits paid during a period of disability. If the death of a Vested Participant occurred before January 1, 1986, the Death Benefit provisions of the Plan in effect on the date of death shall apply.

(b) For a Participant whose benefits are subject to adjustment under Section 4.00, no death benefits under this Section are payable.

Section 7.03 - Automatic Joint and Survivor Benefit at Retirement Date

(a) For a Participant whose benefits are not subject to adjustment under Section 4.00, if a Participant has a spouse to whom he is lawfully married on the Benefit effective date, the Participant will receive an Automatic Joint and Survivor Benefit which is an amount that is based upon the Participant's benefit determined under Article VI and actuarially reduced as set forth in Section 11.03. When the Automatic Joint and Survivor Benefit is in effect, the Participant's benefit during his or her lifetime is reduced, and the spouse will receive one-half of the reduced Benefit for so long as the spouse survives the Participant, but only if the Participant dies after the first anniversary of the marriage.

(b) For a Participant whose benefits are subject to adjustment under Section 4.00, the amount that is received during the lifetime of the Participant is based upon the Participant's benefit determined under Article VI and is an Actuarial Equivalent of the Participant's Normal Retirement Benefit. When the Automatic Joint and Survivor Benefit is in effect, the Participant's benefit during his or her lifetime is reduced, and the spouse will receive one-half of the reduced Benefit for so long as the spouse survives the Participant, but only if the Participant dies after the first anniversary of the marriage.

Section 7.04 - Optional Forms of Benefits at Retirement Eligibility Date

A Vested Participant may select one of the applicable following options at his or her Retirement Eligibility Date, however, a married Participant whose spouse is entitled to the Automatic Joint and Survivor Benefit described in Section 7.03 may not do so without the spouse's notarized written consent.

(a) A Participant eligible for the Normal, Unreduced, Unreduced Rule of 85, Early or Disability Benefit described in Article VI and whose benefit is not subject to adjustment under Section 4.00, may elect to receive one the following:

(1) A monthly benefit under which if the Participant dies before receiving at least thirty-six (36) monthly payments, the monthly benefits will continue to his or her surviving spouse or, if none, to the Participant's eligible Dependents until a total of thirty-six (36) monthly payments have been made under the Plan.

(2) A reduced monthly benefit under which, if the Participant dies before receiving at least one hundred twenty (120) monthly payments, the benefits will continue to his or her surviving spouse or, if none, to the Participant's eligible Dependents until a total of one hundred twenty (120) monthly payments have been paid under the Plan.

(3) For the benefit forms described in subsections (a) and (b), above, if the Disability Retirement Benefit is applicable, and the Participant dies before receiving at least thirty-six (36) or one hundred twenty (120) monthly payments, whichever is applicable, the monthly benefit will continue to the surviving spouse or to the Participant's eligible Dependents if there is no surviving spouse, until the above-described applicable total monthly payments have been made under

the Plan; however, the amount payable shall be reduced by any Disability Retirement Benefits paid under a prior period of disability.

(4) A Full Joint and Survivor Option, which provides that if a Participant has a spouse to whom he is lawfully married on the Benefit effective date, the Participant will receive an actuarially reduced monthly retirement Benefit payable to the Retired Participant during his or her lifetime, and which provides for the continuance of such reduced benefit to such spouse after the Participant's death if (i) he or she survives the Participant and (ii) the Participant dies after the first anniversary of the marriage. The factors and assumptions used to determine the amount of reduction for the Full Joint and Survivor Benefit are set forth in Section 11.03.

(5) A 75% Joint and Survivor Option which provides that if a Participant has a spouse to whom he is lawfully married on the Benefit effective date, the Participant will receive an actuarially reduced monthly retirement Benefit payable to the Retired Participant during his or her lifetime, and which provides for the continuance of seventy-five percent (75%) of such reduced benefit to such spouse after the Participant's death if (i) he or she survives the Participant and (ii) the Participant dies after the first anniversary of the marriage. The factors and assumptions used to determine the amount of reduction for the Full Joint and Survivor Benefit and the 75% Joint and Survivor Option are set forth in Section 11.03.

(b) For a Participant whose benefits are subject to adjustment under Section 4.00, the guaranteed payments described in Section 7.04(a)(1) are not available. In addition, the form of benefit under Section 7.04(a)(2) and the Disability Retirement Benefit described in Section 7.04(a)(3) are not available. Moreover, the amount of the Full Joint and Survivor Benefit under Section 7.04(a)(4) and the 75% Joint and Survivor Benefit under Section 7.04(a)(5) shall be the Actuarial Equivalent of the Participant's Normal Retirement Benefit.

(c) In addition, the following special rules are applied:

(1) If the Participant dies before the first anniversary of the marriage, the spouse, if living, otherwise the Participant's eligible Dependents, shall receive the monthly benefits which would have been paid had the Participant retired without either the Full Joint and Survivor Benefit, the 75% Joint and Survivor Benefit or Automatic Joint and Survivor Benefit, less the amount of the Benefits paid to the Participant before his or her death.

(2) Death of the Spouse After Retirement

(A) For a Participant whose benefits are not subject to adjustment under Section 4.00, if the spouse of a Participant who retired with an Full Joint and Survivor Benefit, a 75% Joint and Survivor Option or an Automatic Joint and Survivor Benefit predeceases the Participant, the monthly benefit amount payable to the Participant beginning with the month after the spouse's death will thereafter be the amount which would have been paid had the Participant retired without either a Full Joint and Survivor Benefit, a 75% Joint and Survivor Benefit or an Automatic Joint and Survivor Benefit.

(B) For a Participant whose benefits are subject to adjustment under Section 4.00, the increase in the monthly benefit amount described in subsection 7.04(c)(2)(B), above, will not be payable to the Participant.

(d) Social Security Option

(1) A Participant whose effective date of retirement is earlier than July 1, 2008, and who is eligible for Early Retirement may elect a Social Security Option in the following manner:

The Participant may at any time prior to this early retirement make a written request to the Trustees to have the amount of his or her retirement Benefit increased during the period prior to his or her attainment of Social Security Retirement Age, and decreased during the period after attainment of Social Security Retirement Age, so as to provide for the retired Participant a uniform pension benefit composed of the Participant's retirement Benefit under the Plan and his or her monthly benefit under the Social Security Act. The monthly benefit under the Social Security Act shall mean the estimated primary Social Security benefit which a Participant may be entitled by law to receive at Social Security Retirement Age, at the date such an election shall be made, based upon his or her employment prior to the date of such election. The payments to be made under this option shall be the Actuarial Equivalent of the payments which would have been payable hereunder if this option had not been exercised. Provided, however, that for purposes of this Subsection (b), the amount shall not be less than that obtained using the mortality assumptions and applicable interest rate specified in Section 11.04(a).

In case such equivalent monthly payments shall be less in amount than such primary monthly benefits which will later be payable under the Social Security Act, such smaller payments will be made hereunder during such interim period, after which no further retirement Benefits will be payable to the retired Participant under the Plan. No death benefits of any kind are available or payable under this option.

(2) The Social Security Option is not available to a Participant with an effective date of benefits on or after July 1, 2008.

Section 7.05 - Manner of Making and Revoking Elections

(a) All elections must be in writing in a form approved by the Trustees. No more than 180 days and no less than 30 days before the effective date of retirement (and consistent with Treasury regulations), the Trustees shall provide the Participant and his Spouse, if any, with a written explanation of:

(1) the terms and conditions of the forms of benefit available under the terms of the Plan;

(2) the Participant's right to make and the effect of an election to waive the Automatic Joint and Survivor Benefit;

(3) the right of the Participant's Spouse to consent to any election to waive the Automatic Joint and Survivor Benefit;

(4) the right of the Participant to revoke such election during the election period that ends on the effective date of retirement, and the effect of such revocation;

(5) the relative value of various optional forms of benefit under the Plan; and

(6) the right to defer any distribution and the consequences of failing to defer distribution of benefits including a description of how much larger benefits will be if the commencement is deferred.

(b) If an Automatic Joint and Survivor Benefit would otherwise be payable under Section 7.03, any election by the Participant to take another benefit shall require the spouse's notarized written consent acknowledging the effect of the election. Failure by the Participant (or spouse in the event of death) to consent to an immediate distribution of any part of accrued benefits is an election to defer commencement of payment of any benefits to Normal Retirement Age. Notwithstanding the foregoing, no consent is required if:

(1) The present value of the Participant's non-forfeitable accrued benefits is less than \$5,000, using the factors specified in 11.04; or

(2) It is established to the satisfaction of the Trustees or their agent that the spouse's consent cannot be obtained because either (i) there is no spouse, or (ii) the spouse cannot be located, or (iii) such other circumstances as the Secretary of the Treasury may by regulations prescribe from time to time; or

(3) Any person eligible to make any election hereunder shall receive, written in nontechnical language, a general description or explanation of the Joint and Survivor Annuity, the Participant's right to waive the Joint and Survivor Annuity form of benefit and the effects of such waiver, the right of the Participant's spouse to consent or not consent to such waiver and the effects thereof, the Participant's right to revoke such elections, and the right to defer any distribution and the consequences of failing to defer distribution of benefits including a description of how much larger benefits will be if the commencement of distributions is deferred. In general such written explanation shall be provided no less than 30 days and no more than 180 days before the benefit commencement date. If the written explanation is provided after the benefit commencement date, the Participant shall have at least 30 days to make the election of his or her form of benefit. Any requirement that the Participant's written election be provided at least 30 days before the benefit commencement date may be waived by a Participant (with any required spousal consent) so long as the distribution commences more than 7 days after such explanation is provided.

(4) A Retroactive Annuity Starting Date is a benefit commencement date affirmatively elected by a Participant that occurs on or before the date the written explanation referred to in this Section 7.05 of Article VII is provided to the Participant and any other situations in which there is a retroactive annuity starting date under Code Section 417 and the regulations thereunder.

(A) Any make-up payment to reflect missed payments for the period from the Retroactive Annuity Starting Date to the date of the actual make-up payment shall include appropriate interest. The Joint Board may modify the appropriate interest rate from time to time either by amending the Plan or adopting a written resolution to do so. Until the rate is changed it will be 4% simple annual interest.

(B) Conversion of Retroactive Payments After Normal Retirement Age. If a retroactive amount is payable after June 1, 1994, to a Participant who retires after his Normal Retirement Date, then instead of having it paid in a lump sum, the Participant may elect to have his Normal Retirement Benefit actuarially increased by applying all or a portion of the retroactive payment (without interest) as follows:

(i) The actuarial increase must be payable in the same form as the rest of the Participant's Normal Retirement Benefit, and in addition, the Participant or his beneficiaries will eventually receive no less than 100% of the retroactive payment.

(ii) If married, the Participant's spouse must consent in writing to this election; and

(iii) The increase shall be the Actuarial Equivalent of the portion of the lump sum amount of the retroactive payment which the Participant elects to have applied to increase his Normal Retirement Benefit.

Section 7.06 - Single Sum Payments of Small Benefits

(a) If at the time a monthly benefit first becomes payable to a Participant, spouse or Dependent entitled to receive a series of monthly benefits and

(1) the Actuarial Equivalent single sum payment of those monthly payments is \$1,000 or less, in lieu of the monthly benefits, a single sum payment shall be made of the amount which is the Actuarial Equivalent of the monthly benefits; or

(2) the Actuarial Equivalent single sum payment of those monthly payments is greater than \$1,000 but not greater than \$5,000, a single sum payment shall be made of the amount which is the Actuarial Equivalent of the monthly benefits, but only with the consent of the distributee.

(b) In determining the Actuarial Equivalent amount for purposes of subsections (a) and (b) above, the factors and assumptions set forth in Section 11.04 shall be used

ARTICLE VIII

Amendment and Termination

Section 8.01 - Amendment

The Board of Trustees may amend or modify this Pension Plan at any time or from time to time in accordance with the Trust Agreement. Amendments affecting the Plan's funding status shall be made, however, only after the Trustees have received competent actuarial advice and have determined that the same is reasonable, and that the Trust Fund will be on an actuarially sound basis after the amendment.

Section 8.02 - Limitations on Amendments

(a) No amendment or modification of the Plan may decrease a Participant's Accrued Benefit or eliminate an optional form of distribution with respect to benefits attributable to service before the amendment contrary to the provisions of ERISA Section 204(g) or any other provisions of ERISA or the Internal Revenue Code restricting amendments affecting accrued benefits.

(b) No amendment or modification may cause or result in any portion of the Fund to revert to or be recovered by, any Employer, the Union, or any Local Union, or cause or result in the diversion of any portion of the Fund to any purpose other than the exclusive benefit of Participants and Eligible Dependents and the payment of the administrative expenses of the Fund and the Plan.

(c) If the Plan's vesting schedule is amended, any Participant who could be adversely affected by the amendment and who has at least three Years of Credited Service may elect to have his or her nonforfeitable percentage computed under the Plan without regard to such amendment. Such election must be made during the period beginning with the date the amendment is adopted and ending 60 days after the latest of the date (i) the amendment is adopted, or (ii) the amendment becomes effective, or (iii) the Participant is given written notice of the amendment.

Section 8.03 - Termination

If this Pension Plan is terminated, the assets then remaining in the Pension Plan, after providing for the expenses of the Plan, shall be allocated to the extent that they shall be sufficient for the purpose of paying pension benefits (based on Pension Credit to the date of termination of the Pension Plan) in the following order or precedence:

(a) to provide pensions to Pensioners who shall have retired under the Plan prior to its termination, without reference to the order of retirement.

(b) to provide pensions upon attainment of age 65 to Employees aged 60 or over but less than 65 on the date of termination, without reference to the order in which they shall attain age 65.

(c) to provide pensions upon attainment of age 65 to Employees aged 50 or over but less than 60 on the date of termination, without reference to the order in which they attain age 65.

(d) to provide pensions upon attainment of age 65 to Employees aged 50 or over but less than 60 on the date of termination, without reference to the order in which they shall attain age 65.

(e) to provide pensions upon attainment of age 65 to Employees less than 50 years of age on the date of termination without reference to the order in which they shall reach age 65.

In no event shall any of the Pension Plan refer to or be recoverable by any Employer, the Unions or any Local Union.

If the Plan terminates or partially terminates, the rights of all affected Participants to benefits accrued to the date of such termination or partial termination, to the extent funded as of such date, are nonforfeitable.

Section 8.04 - Merger or Consolidation

No merger or consolidation with, or transfer of assets and liabilities to, any other qualified plan shall occur unless each Employee and Pensioner in the successor plan shall, if such successor plan is immediately terminated, receive a benefit at least equal to the benefit he would have received under this plan if it had been terminated immediately prior to the merger, consolidation or transfer.

ARTICLE IX

Claims and Appeals Procedures

Section 9.01 - General Rules

(a) *Claims.* All claims for benefits under the Automotive Industries Pension Plan and the Automotive Industries Individual Account Retirement Plan (hereinafter collectively “Plan”) after the effective date will be decided in accordance with these claims procedures.

(b) *Definitions.*

(1) Claimant: A participant or beneficiary under the Plan with a claim for benefits.

(2) Joint Board: Joint Board means the Joint Board of Trustees of this multiemployer plan which meets at least quarterly. Its address is:

Automotive Industries Pension Plan
% Associated Third Party Administrators
1640 South Loop Road
Alameda, CA 94502
Phone: 510-337-3050
Fax: 510-337-3060

(3) Plan Manager: The Plan Manager of this Plan is:
Associated Third Party Administrators
1640 South Loop Road
Alameda, CA 94502
Phone: 510-337-3050
Fax: 510-337-3060

Section 9.02 - Filing Initial Claim Forms

(a) *Initial Claims.* All initial claims must be filed with the Plan Manager in written form or electronically using such forms or standards as the Joint Board may specify from time to time. If a claim does not contain all the necessary information, including information required from the Social Security Administration, the Plan Manager shall notify Claimant or the Claimant’s authorized representative in written or electronic form as soon as possible.

(b) *Determinations.* The Plan Manager shall determine initial claims within the time periods specified in Article III.

(c) *Calculating Time Periods.* 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 hereafter provided, the period for making the benefit determination shall be tolled from the date on which the notification of extension is sent to Claimant until the date on which the Claimant or other entity

supplying the information (such as the Social Security Administration) responds to the request for additional information.

Section 9.03 - Time of Initial Claims Determinations

(a) *Determination Period.*

(1) The Plan Manager shall notify a Claimant of any adverse benefit determination within a reasonable period of time, but not later than 90 days after receipt of the claim.

(2) If the Plan Manager determines that there is not sufficient information to determine the claim within the time limit in subsection (a)(1) above and notifies the Claimant prior to the expiration of that time limit of the circumstances requiring the extension and the date by which a decision is expected to be rendered, then the time period for a decision can be extended for up to 90 days.

(3) Notification of initial claim determinations shall contain the information listed in Article IV.

(b) *Expiration of Time Periods.* If a claim is not acted upon within the time periods prescribed by this Section 9.03, the Claimant may proceed to the appeal procedure as if the claim were denied.

Section 9.04 - Notification of Initial Claims Denials

(a) *Contents of Notification.* The Plan's notification of an adverse benefit determination on an initial claim shall set forth, in a manner calculated to be understood by the Claimant, the following matters:

(1) The specific reason or reasons for the decision.

(2) Reference to the specific Plan provision on which the decision is based.

(3) A description of any additional material or information necessary for the Claimant to perfect the claim and an explanation of why such material or information is necessary.

(4) A description of the Plan's review procedure and the time limits applicable to such procedures.

(5) A statement of the Claimant's right to bring a court action under ERISA Section 502(a) following an adverse decision on review.

(b) *Manner of Notification.* The notification shall be in written or electronic form.

Section 9.05 - Appeals of Adverse Initial Claims Determinations

(a) *General Rules.* All adverse decisions of initial claims may be appealed by Claimants to the Joint Board or an authorized subcommittee thereof (hereinafter collectively referred to as “Joint Board”) pursuant to the following rules:

(1) Claimants 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 Joint Board 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 the Claimant’s right to review the denial of his claim whether or not the Plan is prejudiced by the failure.

(2) Claimants may submit written comments, documents, records or other information relating to the claim.

(3) Upon written request, Claimant will be provided, free of charge, reasonable access to and copies of any documents, records and other information if they (A) were relied upon in making the initial determination, (B) were submitted, considered or generated in the course of making the benefit determination even if not relied upon, (C) demonstrate that the Plan provisions have been followed and applied consistently with respect to similarly situated individuals, or (D) constitute a statement of policy or guidance with respect to the Plan concerning the denied benefit whether or not relied upon.

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

(5) The Claimant shall have no right to personally appear before the Joint Board unless the Joint Board in its sole discretion concludes that such an appearance would be of value in enabling it to review the adverse initial determination.

(b) *Determinations.* Claims appeals will be determined within the time periods specified in Article VI.

(c) *Calculating Time Periods.* 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.

Section 9.06 - Time of Claims Appeal Determinations

(a) *General Rule.* In general, the Joint Board shall decide 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 decided by no later than the date of the second meeting following receipt of the appeal.

(b) *Extensions.* If special circumstances require a further extension, the appeal will be

decided not later than the third meeting following receipt of the appeal. The Plan Manager shall notify the Claimant 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.

(c) *Notice.* The Plan Manager shall notify the Claimant of the Joint Board's decision as soon as possible, but not later than 5 days after the appeal is decided.

(d) *Contents of Notification.* Adverse decisions on appeal shall be made in accordance with and contain the information listed in Section 9.07.

Section 9.07 - Notification of Appeals Decisions

(a) *Manner of Notification.* Decisions on appeals will be communicated to Claimants by written or electronic notification.

(b) *Contents of Notification.* Adverse appeals decisions shall set forth, in a manner calculated to be understood by the Claimant, the following information:

(1) The specific reason or reasons for the decision.

(2) Reference to the specific Plan provisions on which the appeal is based.

(3) A statement that the Claimant is entitled to receive upon request and free of charge reasonable access to and copies of all documents, records, and other information relevant to the Claimant's claim as described in Section 9.04(a)(3).

(4) A statement of the Claimant's right to bring a court action under ERISA Section 502(a).

(c) *No Further Appeals.* Following issuance of the decision on appeal, there is no further right under these procedures to appeal or arbitrate the decision.

Section 9.08 - Legal Proceedings

(a) *Legal Actions.* Claimants may pursue their claims for benefits in court under ERISA Section 502(a) but only after they exhaust their administrative remedies as provided in these claims procedures. Failure of a Claimant to exhaust his or her administrative remedies will preclude further judicial review.

(b) *Legal Standards.*

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

(2) Any decision made by any Joint Board shall be binding on all persons affected to the fullest extent permitted by law.

(3) No decision of the Joint Board 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.

Section 9.09 - Miscellaneous Provisions

(a) *Authorized Representatives.* A Claimant may appoint in writing an authorized representative to act on his behalf in pursuing a claim or appeal under these claim procedures. There is no required form for this purpose.

(b) *Plan Records.* The Plan Manager 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.

(c) *Appeal of Adverse Determinations.* Any decisions affecting a Claimant's benefits under the Plan may be appealed under these claims procedures, including:

(1) A denial, reduction or termination of any Plan benefit.

(2) A failure to provide or make payment in whole or in part for any Plan benefit.

(3) A refusal to provide a Plan benefit based on a determination that the Claimant is not eligible under the terms of the Plan.

(d) *Rights of Joint Board.* The Joint Board 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 Joint Board 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."

ARTICLE X

Miscellaneous

Section 10.01 - Proof Required of Employees

An employee shall prove his age and the number of Years of his Credited Past Service and Credited Future Service to the satisfaction of the Trustees; and the Trustees may in their discretion grant any employee a hearing and the opportunity to present evidence in this connection. The Trustees may in their unlimited discretion accept or reject any evidence presented by the Employee, whether at a hearing or otherwise; and the determination by the Trustees of an Employee's age and of his Years of Credited Past Service and Credited Future Service shall be conclusive upon all parties.

Section 10.02 - Assignment and Alienation of Benefits

All of the benefits provided under this Plan are non-assignable and not subject to alienation, and all benefits under this Plan will be exempt from the claims of creditors to the maximum extent permitted by law. The only exceptions are (1) assignments to make payments required to maintain eligibility under the Automotive Industries Welfare Fund Retiree Plan and (2) those required under applicable law (including Internal Revenue Code Section 414(p) relating to "qualified domestic relations orders").

Section 10.03 - Maximum Benefits and Top-Heavy Rules

Notwithstanding any other provision of this Plan, benefits are subject to the following special rules required by federal law and set forth in the Appendices attached hereto and made a part hereof.

- (a) Maximum Monthly Retirement Benefit Rules (Appendix A);
- (b) Top-Heavy Rules (Appendix B).

ARTICLE XI

Actuarial Factors and Assumptions

Section 11.01 - General Rule

If no other factors or assumptions are specified, the following assumptions shall be used for determining Actuarial Equivalents:

(a) *Mortality.* Mortality assumptions will be based upon the unisex UP 1984 Mortality Table with the following adjustments:

- (1) For participants, ages shall be set forward one year.
- (2) For spouses or Contingent Beneficiaries, ages shall be set back four years.

(b) *Interest.* The interest rate assumption shall be 6%.

Section 11.02 - Disability Payments

(a) For a Participant whose benefits are not subject to adjustment under Section 4.00, for calculation of alternative forms of disability payments, other than the Automatic Joint and Survivor Benefit, the following assumptions shall be used for determining Actuarial Equivalents:

(1) *Mortality.* Mortality assumption will be based upon the PBGC Mortality Table for Disabled Lives Eligible for Social Security Disability Benefits.

(2) *Interest.* The interest rate assumption shall be 6%.

(3) *Sex Mix.* For Participants, 100% male and 0% female.

(b) For a Participant whose benefits are subject to adjustment under Section 4.00, no Disability Retirement Benefits are payable.

Section 11.03 - Joint and Survivor Benefit Factors

(a) For a Participant whose benefits are not subject to adjustment under Section 4.00:

(1) *All Benefits Other than Disability.* The factors for determining the amount of the Joint and Survivor Benefit for all benefits other than Disability Benefits are as follows:

(A) Automatic Joint and Survivor Benefit (Section 7.03). If the Participant and spouse are the same age, the factor under this subsection (A) is 95%.

(B) Full Joint and Survivor Option (Section 7.04(a)(4)). If the Participant and spouse are the same age, the factor under this subsection (B) is 85%.

(C) 75% Joint and Survivor Option (Section 7.04(a)(5)). This benefit shall be the Actuarial Equivalent of the Participant's Normal Retirement Benefit.

(2) *Disability Benefits.* For a Participant who is eligible for a Disability Retirement Benefit, his or her factors for determining the amount of the Joint and Survivor Benefit are as follows:

(A) Automatic Joint and Survivor Benefit (Section 7.03). If the Participant and spouse are the same age, the factor under this subsection (A) is 85%.

(B) Full Joint and Survivor Option (Section 7.04(a)(4)). If the Participant and spouse are the same age, the factor under this subsection (B) is 70%.

(3) If the Participant and spouse are not the same age, the following adjustments will be made to the factors in subsections (1) and (2), above.

(A) The factor will be decreased by 0.3% for each full year the spouse is younger than the Participant; or

(B) The factor will be increased by 0.3% for each full year the spouse is older than the Participant, subject to a maximum factor of 99%.

(C) 75% Joint and Survivor Option (Section 7.04(a)(5)). This benefit shall be the Actuarial Equivalent of the Participant's Normal Retirement Benefit.

(b) For a Participant whose benefits are subject to adjustment under Section 4.00:

(1) *All Benefits Other Than Disability:* Shall be the Actuarial Equivalent of the Participant's Normal Retirement Benefit.

(2) *Disability Benefits:* No Disability Retirement Benefits are payable.

Section 11.04 - Single Sum Payments

(a) For benefits paid in connection with an effective date of retirement before January 1, 2008, for calculation of single sum payments that may be made without a Participant's consent as described in Section 7.06, the following assumptions shall be used in determining Actuarial Equivalents:

(1) The mortality assumption and interest rate which produces the greater single sum payment:

(A) The mortality assumptions specified by the Secretary of Treasury for the purposes of satisfying Code Section 417(e)(Rev. Rul. 95-6 before January 1, 2003, Rev. Rul. 2001-62 effective January 1, 2003), and the "applicable interest rate" which is defined as the average annual rate on 30-year Treasury bonds as of the November (published in December) preceding the calendar year in which the distribution occurs; or

(B) The mortality assumptions specified in Section 11.01(a), and the interest rate specified in Section 11.01(b).

(2) The interest rate, as determined under this Section, shall apply for the entire calendar year following the November referred to in subsection (a)(1), above.

(b) For benefits paid in connection with an effective date of retirement on or after January 1, 2008:

(1) The Applicable Interest Rate means the adjusted first, second, and third segment rates applied under rules similar to the rules of Code Section 430(h)(2)(C) for the month of November (as published in December) immediately preceding the Plan Year (which serves as the stability period). For this purpose, the segment rates shall be subject to the conditions set forth in Code Section 417(e)(3)(D), and

(2) The Applicable Mortality Table is based on the mortality table specified for the calendar year under subsection (A) of Code Section 430(h)(3) (without regard to subsection (C) or (D) of such section).

ARTICLE XII

Eligible Rollover Distributions

Section 12.01 - Eligible Rollover Distributions

This Plan does not accept eligible rollover distributions.

Section 12.02 - Transfers from the Plan

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

Section 12.03 - Definitions

The following definitions shall apply to this Article XII:

(a) *Eligible Rollover Distribution.* An Eligible Rollover Distribution is any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Code Section 401(a)(9); any hardship distribution; the portion of any distribution that is not includable in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities); and any other distribution(s) that is reasonably expected to total less than \$200 a year.

A portion of a distribution shall not fail to be an Eligible Rollover Distribution merely because the portion consists of after-tax employee contributions which are not includable in gross income. However, such portion may be transferred only to (1) an individual retirement account or annuity described in Code Section 408(a) or (b); (2) for taxable years beginning after December 31, 2001 and before January 1, 2007, to a qualified trust which is part of a defined contribution plan that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible; or, (3) for taxable years beginning after December 31, 2006, to a qualified trust or to an annuity contract described in Code Section 403(b), if such trust or contract provides for separate accounting for amounts so transferred (including interest thereon), including separately accounting for the portion of such distribution which is so includible in gross income and the portion of such distribution which is not so includible.

(b) *Eligible Retirement Plan.* An Eligible Retirement Plan is a qualified plan described in Code Section 401(a), an annuity plan described in Code Section 403(a), an annuity contract described in Code Section 403(b), an individual retirement account described in Code Section

408(a), an individual retirement annuity described in Code Section 408(b), or an eligible plan under Code Section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of state and which agrees to separately account for amounts transferred into such plan from this Plan, that accepts the Distributee's Eligible Rollover Distribution.

Effective on and after January 1, 2008, Eligible Retirement Plan includes a Roth IRA described in Code Section 408A. An amount rolled over to a 408A plan must be an Eligible Rollover Distribution, and, pursuant to Code Section 408A(d)(3)(A), include in gross income any amount that would be includible if the distribution was not rolled over. For taxable years beginning before January 1, 2010, a Distributee will not be permitted to make a Direct Rollover to a Code Section 408A plan if, for the year the eligible rollover is made, the Distributee has a modified adjusted gross income ("MAGI") exceeding \$100,000 or is married and files separate return. The restriction in the foregoing sentence shall not apply in taxable years beginning on or after January 1, 2010.

The definition of Eligible Retirement Plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order as defined under Code Section 414(p).

(c) *Distributee.* A Distributee includes an employee or former employee. In addition, the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is the alternative payee under a qualified domestic relations order, as defined in Code Section 414(p), are Distributees with regard to the interest of the spouse or former spouse. A Distributee also includes the Participant's nonspouse designated beneficiary under Section 1.03(e) of the Plan. In the case of a nonspouse beneficiary, the Direct Rollover may be made only to an individual retirement account or annuity described in Code Sections 408(a) or 408(b) ("IRA") that is established on behalf of the designated beneficiary and that will be treated as an inherited IRA pursuant to the provisions of Code Section 402(c)(11). Also, in this case, the determination of any required minimum distribution under Code Section 401(a)(9) that is ineligible for rollover shall be made in accordance with Notice 2007-7, Q&A 17 and 18, 2007-5 I.R.B. 395.

(d) *Direct Rollover.* A Direct Rollover is a payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

ARTICLE XIII

Reemployment Under the Uniformed Services Employment and Reemployment Rights Act

It is the intent of this Plan to comply with the reemployment rights of members of the Uniformed Services as specified in 38 United States Code Chapter 43 (“USERRA”) and Code Section 414(u). Therefore, notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to Qualified Military Service will be provided in accordance with Code Section 414(u).

Section 13.01 - Definitions

(a) 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 USERRA.

(b) Uniformed Services means:

- (1) the Armed Forces;
- (2) 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;
- (3) the commissioned corps of the Public Health Service; and
- (4) any other category of persons designated by the President of the United States in time of war or emergency.

Section 13.02 - Breaks in Service

Notwithstanding any other provision of this Plan to the contrary, an individual reemployed under USERRA will not be treated as having incurred a One-Year in Service by reason of such person’s period of Qualified Military Service.

Section 13.03 - Years of Vesting Credit

Each period of Qualified Military Service served by an individual is, upon reemployment by an Employer under USERRA, deemed to constitute service with the Employer during the period it was a contributing Employer to the Plan. For purposes of determining Years of Vesting Credit, the individual will be credited with 190 Hours of Service for each month, or partial month, of Qualified Military Service.

Section 13.04 - Benefit Accruals

Each period of Qualified Military Service served by an individual, is upon reemployment by an employer under USERRA, deemed to constitute service with that Employer for purposes of

determining the accrual of benefits under the Plan as follows:

(a) only periods during which the Employer was a party to a collective bargaining agreement pursuant to which the Plan was maintained will be counted;

(b) the returning employee will be considered to have been in the same category of employment during Qualified Military Service as the category in which he was employed immediately before such Service;

(c) the amount of benefit accrued shall be computed,

(1) at the rate the employee would have received but for the period of Qualified Military Service, or

(2) if the determination of such rate is not reasonably certain, on the basis of the employee's average pay rate, hours, or compensation during the 12-month period immediately preceding such Service (or, if shorter, the period of employment immediately preceding such Service); and

(3) in the same manner and to the same extent that benefits were accrued for other employees during the period of Qualified Military Service.

Section 13.05 - Notice

Any Employer who reemploys a person under USERRA shall, within 30 days after the date of such reemployment, provide information, in writing, of such reemployment to the Plan.

Section 13.06 - Cost

The cost of any additional benefits earned by a person during Qualified Military Service shall be paid for as provided in the reemploying Employer's collective bargaining agreement, provided that if the Employer is required to pay the cost, that payment must be completed within one year of reemployment. In the absence of any specific provision in such agreement, the cost shall be borne by the Plan, and no additional contributions shall be required from the Employer.

Section 13.07 - HEART ACT

If a Participant dies while performing Qualified Military Service, the survivors of the Participant are entitled to any additional benefits (other than benefit accruals relating to the period of Qualified Military Service) provided under the Plan had the Participant resumed and then immediately terminated employment on account of death.

APPENDIX A

1. General Rule

Notwithstanding any other provision of this Plan, a Participant's maximum annual benefit under this Plan shall be limited in accordance with Code Section 415 and the Treasury Regulations thereunder. The requirements of Code Section 415 are hereby incorporated by reference except as otherwise specified herein.

2. Limitation Year

The limitation year for Code Section 415 purposes shall be the calendar year.

3. Limit on Accrued Benefits

For Limitation Years beginning on or after January 1, 2008, in no event shall a Participant's benefit accrued under the Plan for a Limitation Year exceed the annual dollar limit determined in accordance with Code Section 415 of the code and the Treasury Regulations thereunder (the "annual dollar limit") for that Limitation Year. If a Participant's Plan Benefit for a Limitation Year beginning on or after January 1, 2008 would exceed the annual dollar limit for that Limitation Year, the accrued benefit, but not the Plan Benefit, shall be frozen or reduced so that the accrued benefit does not exceed the annual dollar limit for that Limitation Year.

4. Limits on Benefits Distributed or Paid

For Limitation Years beginning on or after January 1, 2008, in no event shall the annual amount of benefit distributed or otherwise payable to or with respect to a Participant under the Plan in a Limitation Year exceed the annual dollar limit for that Limitation Year. If the benefit distributable or otherwise payable in a Limitation Year would exceed the annual dollar limit for that Limitation Year, the benefit shall be reduced so that the benefit distributed or otherwise payable does not exceed the annual dollar limit for that Limitation Year.

5. Protection of Prior Benefits

(a) To the extent permitted by law, the application of the provisions of this Appendix A shall not cause the benefit that is accrued, distributed or otherwise payable for any Participant, including the Participant's annual benefit accrued under the Plan as separately determined for each Individual Employer, to be less than the Participant's accrued benefit as of December 31, 2007 under the provisions of the Plan that were both adopted and in effect before April 5, 2007 and that satisfied the limitations under Code Section 415 of the Code and the Treasury Regulations thereunder as in effect as of December 31, 2007.

(b) For any year before 1983, the limitations prescribed by Code Section 415 as in effect before enactment of the Tax Equity and Fiscal Responsibility Act of 1982 shall apply, and no benefit earned under this Plan shall be reduced on account of the provisions of this Section if it would have satisfied those limitations under the prior law.

(c) For any year before 1992, the limitations prescribed by Code Section 415 as in effect before enactment of the Tax Reform Act of 1986 shall apply, and no benefit earned under the Plan as of the close of the last Limitation Year beginning before January 1, 1987 shall be reduced on account of the provisions of this Section if it would have satisfied those limitations under the prior law.

6. Aggregation

This Plan shall not be aggregated with any other multiemployer plan for purposes of compliance with Code Section 415. However, if a non-multiemployer plan must be aggregated with this Plan for purposes of complying with Code Section 415, the benefits of such non-multiemployer plan will be reduced before benefits of this Plan. If that non-multiemployer does not reduce its benefits to comply with Code Section 415, then this Plan will reduce its benefits to such a level that Code Section 415 will not be violated.

7. Compensation

(a) For purposes of compliance with Code Section 415, a Participant's compensation for a limitation year means remuneration received from the Employer during the calendar year for a limitation year for covered service, as defined in Code Section 415 and Section 1.415(c)-2(d)(4) of the Treasury Regulations.

(1) Code Section 415 Compensation must be paid within the calendar year, and paid or treated as paid before Severance from Employment in accordance with the general timing rule of Section 1.415(c)-2(e)(1) of the Treasury Regulations.

(2) Code Section 415 Compensation must include amounts paid by the later of 2 ½ months after Severance from Employment or the end of the Limitation Year that includes the Severance from Employment date in accordance with Section 1.415(c)-2(e)(3)(i) of the Treasury Regulations. Such post-severance compensation includes regular pay as defined in Section 1.415(c)-2(e)(3)(ii) of the Treasury Regulations, leave cashouts and deferred compensation as defined in Section 1.415(c)-2(e)(3)(iii) of the Treasury Regulations, and salary continuation payments for military service and disabled participants in accordance with Section 1.415(c)-2(e)(4) of Treasury Regulations.

(b) The annual compensation of each Participant taken into account in determining benefit accruals in any Plan Year beginning after December 31, 2001 shall not exceed \$200,000. For this purpose, annual compensation means compensation during the Plan Year or such other consecutive 12-month period over which compensation is determined under the Plan (the "determination period"). To the extent that the provisions of Section 1.03(e) are inconsistent with the provisions of this Section, the provisions of this Section shall govern.

(c) The \$200,000 limit on annual compensation above shall be adjusted for cost-of-living increases in accordance with Code Section 401(a)(17)(B). The cost-of-living adjustment in effect for a calendar year applies to annual compensation for the determination period that begins with or within such calendar year.

(d) In determining benefit accruals in Plan Years beginning after December 31, 2001, the annual compensation limit in subsection (a) above, for determination periods beginning before January 1, 2002, shall be \$200,000.

8. Dollar Limitation

To the extent permitted by law, in applying the dollar limitation specified in Code Section 415(b)(1)(A), the Plan will make the following adjustments:

(a) The dollar amount will be automatically adjusted each January 1 following the Participant's Severance from Employment or the Participant's Annuity Starting Date, if earlier, to reflect increases in the cost of living as specified under rules issued by the Internal Revenue Service. Provided, however, that in no event shall any increase under the subsection cause the amount of a Participant's accrued, distributed or otherwise payment benefit to exceed the amount of the Participant benefit payable in the absence of Code Section 415. For the purpose of this Appendix A, Severance of Employment occurs when a Participant is no longer an employee of any Employer of the Plan.

(b) If the Participant has less than 10 years of participation in the Plan, the dollar amount will be multiplied by a fraction (i) the numerator of which is the number of years (or part thereof) of participation in the Plan (not less than one), and (ii) the denominator of which is 10.

(c) If the Participant begins to receive a retirement benefit before the social security retirement age, the dollar limit will be reduced on an Actuarial Equivalent basis as specified under rules issued by the Internal Revenue Service. The applicable mortality table shall be that described in Section 11.04(a) and the interest rate shall be the greater of five percent (5%) per year or the rate otherwise specified in the Plan.

(d) If the Participant begins to receive a retirement benefit after the social security retirement age, the dollar limit will be increased on an Actuarial Equivalent basis as specified under rules issued by the Internal Revenue Service. The applicable mortality table shall be that described in Section 11.04(a) and the interest rate shall be the greater of five percent (5%) per year or the rate otherwise specified in the Plan.

Notwithstanding the other provisions in this Section 8 of Appendix A, if the Annuity Starting Date is in a Plan Year beginning in 2004 or 2005, for purposes of adjusting any benefit under Section 415(b)(2)(B) for any form of benefit subject to Code Section 417(e)(3), the interest rate assumption shall not be less than the greater of (1) the interest rate specified in the Plan for actuarial equivalence for the particular form of benefit payable, and (2) 5.5 percent.

9. Minimum Benefits

The Plan may pay benefits within the minimum benefit provision of Code Section 415 even if they would exceed the otherwise applicable limitations, and in the case of a Participant who was a Participant in the Plan on or before December 31, 1982, the maximum monthly benefit shall not be less than the Participant's accrued benefit as of December 31, 1982.

10. Annual Benefit

Code Section 415 limits the amount of the annual benefit payable by the Plan. The Plan's annual benefit means a benefit payable annually in the form of a straight life annuity. It does not include any benefits attributable to either employee contributions or rollover contributions, or ancillary benefits not directly related to retirement income benefits. If there is a transfer of assets or liabilities to this Plan from another qualified plan, the annual benefit attributable to the assets transferred does not have to be taken into account by this Plan for Code Section 415 purposes.

11. Adjustments for Form of Benefit

(a) If Plan benefits are paid in a form other than a straight life annuity, they will be actuarially adjusted in accordance with rules issued by the Internal Revenue Service.

(b) Mortality

The applicable mortality table shall be that described in Section 11.04(a).

(c) Interest Rates

(1) For an effective date of retirement in years beginning before January 1, 2004, the interest rate shall be the greater of five percent (5%) per year or the rate otherwise specified in the Plan.

(2) For effective dates of retirement in Plan Years beginning in 2004 and 2005, for purposes of adjusting any benefit under Code Section 415(b)(2)(B) for any form of benefit subject to Code Section 417(e)(3), the interest rate assumption shall be not less than the greater of:

(A) The interest rate specified in Plan, and

(B) 5.5 percent.

(3) For effective dates of retirement in years beginning on and after January 1, 2006, for purposes of adjusting any benefit under Code Section 415(b)(2)(B) for any form of benefit subject to Code Section 417(e)(3), the interest rate assumption shall be not less than the greater of:

(A) The interest rate specified in the Plan,

(B) 5.5 percent, and

(C) The interest rate that produces a benefit of not more than 105% of the benefit that would be provided using the "applicable interest rate" (as defined in Code Section 417(e)(3)).

(d) However, no adjustments are required for:

(1) The value of a qualified joint and survivor annuity provided by the Plan to the extent such value exceeds the sum of (i) the value of a straight life annuity beginning on the same

date and (ii) the value of any post-retirement death benefits which would be payable even if the benefits were not paid in the joint and survivor annuity form.

(2) The value of the benefits that are not directly related to retirement benefits (such as pre-retirement disability and death benefits).

(3) The value of any other ancillary benefits not directly related to retirement income benefits.

12. Increases of Benefits

For Benefits for limitation years ending on or before December 31, 2001, if the Benefit a Participant would have received in any such limitation year without the Code Section 415 limits is reduced, the Plan will keep track of such reductions and will pay them to the Participant in future limitation years to the extent it can so without violation of the Code Section 415 limitations. This subsection does not apply to Benefits for limitation years ending after December 31, 2001.

13. Plan Disqualification

If under Code Section 415 and the Treasury Regulations thereunder, this Plan must be combined or aggregated with any other plan or plans, and if that aggregation results in the limitations of Code Section 415 being exceeded, then to the extent permitted by law the other plan or plans will be disqualified before this Plan.

APPENDIX B

1. GENERAL RULE

If the Plan is determined to be Top-Heavy (as defined in subsection 2) for any Plan Year, then for that year and all subsequent years until specifically amended to the contrary, the special vesting, minimum benefit and compensation limitations of subsection 3 shall apply to any employee not included in a unit of employees covered by a collective bargaining agreement between employee representatives and one or more employers.

2. DETERMINATION OF TOP-HEAVY STATUS

(a) *Determination Date.* The determination date for any Plan Year is the last day of the preceding Plan Year.

(b) *Top-Heavy Status.* The determination whether the Plan is Top-Heavy for any Plan Year shall be made in accordance with Code Section 416 which is incorporated herein by this reference.

(c) *Key Employees.* A Participant is a Key Employee for purposes of this Plan if her or she is a “key employee” for purposes of Code Section 416(i) and the regulations issued thereunder, all of which are incorporated herein by this reference.

3. SPECIAL VESTING, MINIMUM BENEFIT, AND COMPENSATION RULES

The following rules will apply only to employees not included in a unit of employees covered by a collective bargaining agreement requiring contribution to this Plan and only if the Plan as a whole becomes Top-Heavy. Such employees are referred to herein as Top-Heavy Employees.

(a) *Vesting*

(1) Applicability. If the Plan becomes Top-Heavy, the vesting schedule set forth in subsection (2) below shall apply to the accrued benefit of every Top-Heavy Employee who has at least one Hour of Service after the date the Plan becomes Top-Heavy. Participants who do not have any Hours of Service after that date will have their vesting determined under the regular vesting schedule.

(2) Special Vesting Schedule. If the Plan becomes Top-Heavy, the following vesting schedule shall apply instead of the Plan’s regular vesting schedule for all Plan Years beginning after the first determination date as of which the Plan is determined to be Top-Heavy:

| <u>YEARS OF VESTING SERVICE</u> | <u>PERCENTAGE</u> |
|-------------------------------------|-------------------|
| 2 | 20 |
| 3 | 40 |
| 4 | 60 |
| 5 | 80 |
| 6 or more | 100 |

(b) *Special Minimum Benefit Rules*

(1) Applicability. If the Plan becomes Top-Heavy, then for the first year that the Plan is Top-Heavy, and for all subsequent years, the minimum benefit set forth in subsection (2) below shall apply to all Top-Heavy Employees who have not separated from service at the end of any such Plan Year or have a year of Credited Service during any such Plan Year.

(2) Special Minimum Benefit. If the Plan becomes Top-Heavy, the minimum Normal Retirement Benefit for Top-Heavy Employees (other than Key Employees) shall be the greater of (I) the Plan's Normal Retirement Benefit determined under Article VI, Section 6.02, or (II) 2 percent of the Participant's Average Top-Heavy Compensation for each Plan Year during which the Participant earned 1,000 or more Hours of Service (whether or not he was employed at the end of that year) which begins on or after January 1, 1985, and during which the Plan was Top-Heavy, up to a maximum of 10 such years.

(3) Average Top-Heavy Compensation shall mean the average Compensation for the period of consecutive Top-Heavy years, not exceeding 5, during which the Participant had the greatest aggregate Compensation. Top-Heavy Years are those Plan Years beginning on or after January 1, 1985, for which the Plan is determined to be Top-Heavy.

(4) Defined Benefit and Defined Contribution Top-Heavy Plans. If a Top-Heavy Employee (other than a Key Employee) is covered by both this defined benefit plan and a defined contribution plan of an Employer and both plans become Top-Heavy, the Top-Heavy Employee shall receive the defined benefit minimum described in subsection (b)(2) above.

AUTOMOTIVE INDUSTRIES PENSION PLAN

SUMMARY PLAN DESCRIPTION

2016

Automotive Industries Pension Trust Fund

c/o Associated Third Party Administrators
1640 South Loop Road
Alameda, CA 94502
Telephone: (510) 836-2484 or (800) 635-3105
www.aitrustfunds.org

BOARD OF TRUSTEES

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c/o Associated Third Party Administrators

1640 South Loop Road

Alameda, CA 94502

Telephone: (510) 836-2484 or (800) 635-3105

www.aitrustfunds.org

[Date]

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:

| Thirteen Western States | | | |
|-------------------------|---------|------------|---------|
| 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).

| Length of Military Service | Return to Covered Service Deadline |
|-----------------------------------|--|
| 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:

| Credited Service | Vested Percentage |
|------------------|-------------------|
| 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.

| 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 | 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 70th 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:

| Your benefits are not subject to the Rehabilitation Plan | |
|---|---|
| The availability of the Early Retirement Benefit and how it is calculated are based on the pre-Rehabilitation Plan rules. | |
| Your benefits are subject to the Rehabilitation Plan and... | |
| 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. |

| | |
|---|---|
| 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. | 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. |
| 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> | 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. |
| 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> | 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. |

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 $\frac{1}{4}$ 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:

| Age | Factor |
|------------|---------------|
| 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.

| | PRIOR FORMULA | | | NEW FORMULA | | |
|--------------------------------|--|---|--|---|---|--|
| | <ul style="list-style-type: none"> Adjustment to participant's benefit based on difference in age between participant and spouse. Benefit has "pop-up" feature if participant predeceased by spouse. | | | <ul style="list-style-type: none"> Adjustment to participant's benefit based on actual ages of participant and spouse. Benefit does not have 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 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.

| | Adjustment for Normal, Unreduced (including Rule of 85) and Early Retirement Benefits ▪ Benefit has a “pop-up” feature if participant predeceased by spouse. | | | Adjustment Disability Retirement Benefit ▪ 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.

| | Adjustment for Normal, Unreduced (including Rule of 85) and Early Retirement Benefits ▪ 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 Associated Third Party Administrators
1640 South Loop Road
Alameda, CA 94502
Telephone: (510) 836-2484 or (800) 635-3105
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 1st. 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 1st.

If the Participant elects to keep the January 1st 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 1st, he will receive \$820.00 per month.

In contrast, if the Participant instead elects a benefit commencement date of April 1st 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 1st 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”¹ 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.

¹ “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 Associated Third Party Administrators
1640 South Loop Road
Alameda, CA 94502
Telephone: (510) 836-2484 or (800) 635-3105
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.²

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.

² 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 any additional material or information necessary for you to perfect the claim and an explanation of why such material or information is necessary.
- 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.³

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.

³ 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 (Associated Third Party Administrators) to handle the day-to-day administration of the Plan. The address and telephone number of Associated Third Party Administrators (referred to as the "Fund Office") is:

Associated Third Party Administrators
1640 South Loop Road
Alameda, CA 94502
Telephone: (510) 836-2484 or (800) 635-3105
www.aitrustfunds.org

6. Name and Address of the Board of Trustees

Board of Trustees
c/o Associated Third Party Administrators
1640 South Loop Road
Alameda, CA 94502
Telephone: (510) 836-2484 or (800) 635-3105
www.aitrustfunds.org

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

UNION TRUSTEES

Jim Beno – Chairman
IAM & AW District Lodge 190
7717 Oakpart Blvd., Suite 1
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
Local Lodge 853
2100 Merced St.
San Leandro, CA 94577

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

EMPLOYER TRUSTEES

Doug Cornford - Secretary
P.O. Box 1187
Genoa, NV 89411

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

Scott Pagter
UPS North Cal District
8475 Pardee Dr.
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 Associated Third Party 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/. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the EBSA

5437939v4/01149.034

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **SEP 03 2015**

BOARD OF TRUSTEES OF AUTOMOTIVE
INDUSTRIES PENSION TRUST FUND
C/O SALTZMAN & JOHNSON LAW CORPORATION
PHILIP M MILLER
44 MONTGOMERY ST STE 2110
SAN FRANCISCO, CA 94014

Employer Identification Number:

94-1133245

DLN:

17007029074025

Person to Contact:

DAVID E. DIXON

Contact Telephone Number:

(513) 263-3561

Plan Name:

AUTOMOTIVE INDUSTRIES PENSION PLAN

Plan Number: 001

SALTZMAN & JOHNSON

SEP 08 2015

RECEIVED

ID# 31040

Dear Applicant:

Based on the information you provided, we are issuing this favorable determination letter for your plan listed above. However, our favorable determination only applies to the status of your plan under the Internal Revenue Code and is not a determination on the effect of other federal or local statutes. To use this letter as proof of the plan's status, you must keep this letter, the application forms, and all correspondence with us about your application.

Your determination letter does not apply to any qualification changes that become effective, any guidance issued, or any statutes enacted after the dates specified in the Cumulative List of Changes in Plan Requirements (the Cumulative List) for the cycle you submitted your application under, unless the new item was identified in the Cumulative List.

Your plan's continued qualification in its present form will depend on its effect in operation (Section 1.401-1(b)(3) of the Income Tax Regulations). We may review the status of the plan in operation periodically.

You can find more information on favorable determination letters in Publication 794, Favorable Determination Letter, including:

- The significance and scope of reliance on this letter,
- The effect of any elective determination request in your application materials,
- The reporting requirements for qualified plans, and
- Examples of the effect of a plan's operation on its qualified status.

You can get a copy of Publication 794 by visiting our website at www.irs.gov/formspubs or by calling 1-800-TAX-FORM (1-800-829-3676) to request a copy.

This determination letter applies to the amendments dated on 12-04-12 & 6-28-11.

This determination letter also applies to the amendments dated on

Letter 5274

BOARD OF TRUSTEES OF AUTOMOTIVE

12-7-10 & 1-25-10.

You can't rely on this letter after the end of the plan's first five-year remedial amendment cycle that ends more than 12 months after we received the application. This letter expires on January 31, 2020. This letter considered the 2013 Cumulative List of Changes in Plan Qualification Requirements.

The information on the enclosed addendum is an integral part of this determination. Please be sure to read it and keep it with this letter.

If you submitted a Form 2848, Power of Attorney and Declaration of Representative, or Form 8821, Tax Information Authorization, with your application and asked us to send your authorized representative or appointee copies of written communications, we will send a copy of this letter to him or her.

If you have any questions, you can contact the person listed at the top of this letter.

Sincerely,

Redacted by the U.S. Department of the Treasury

Karen D. Truss
Director, EP Rulings & Agreements

Addendum

Letter 5274

BOARD OF TRUSTEES OF AUTOMOTIVE

This determination letter does not apply to any portions of the document that incorporate the terms of an auxiliary agreement (collective bargaining, reciprocity, or participation agreement), unless you append to the plan document the exact language of the sections that you incorporated by reference.

Letter 5274