

ACRA LOCAL UNION NO. 725

**DEFINED CONTRIBUTION
RETIREMENT PLAN**

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**ACRA-LOCAL UNION NO. 725
DEFINED CONTRIBUTION RETIREMENT PLAN**

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January 2, 2006

TO: ALL PARTICIPANTS AND BENEFICIARIES
OF ACRA-LOCAL NO. 725
DEFINED CONTRIBUTION RETIREMENT PLAN

Dear Participant,

This new booklet has been published to provide you with an explanation of the more important provisions of your Defined Contribution Retirement Plan.

The most current Plan Document is the Plan, effective July 1, 1999 and is the date of this Summary Plan Description.

You are urged to read this booklet carefully. Of particular importance are:

- (a) break in service rules,
- (b) commencement of retirement benefits at age 70 1/2,
- (c) Qualified Domestic Relations Order requirements, and
- (d) effect on benefits of performing work in the ACRA-Local 725 industry for a non-contributing employer.
- (e) New voluntary contribution rules

We would also like to make it perfectly clear that the description of the benefits in this booklet are of general nature, and that **actual Plan provisions will apply in the determination of your rights benefits at retirement.** In this regard, only the full Board of Trustees are authorized to interpret the Defined Contribution Retirement Plan. If you have any questions, or want additional information about your rights under the Plan, you should call or write to the Board of Trustees, through the Administrative Manager, whose address and phone number is shown above.

Sincerely,
Board of Trustees

ARTICLE I INTRODUCTION

The ACRA-Local Union 725 Defined Contribution Retirement Plan was established to help you build financial security at your retirement, one of the most important long-range goals for you and your family.

The provisions of the Plan as described in the following pages became effective July 1, 1999. Subsequent amendments through the date of the Plan document are included in this document, including the Second Amended and restated Plan effective January 1, 2006 and amendment #1 effective 2006.

This description has been written in every day language to summarize the benefits, rights and obligations you have under your Defined Contribution Retirement Plan; however, it should be understood that in the event of any conflict between this description and the Plan Documents, the Plan Documents will govern. Although every effort has been made to accurately describe the Plan, this document is merely a summary of the Plan Documents provisions. It attempts to explain the provisions in brief, simple language, in order to make it as understandable as possible. Nonetheless, the terms and provisions of the Plan Documents prevail over this document. There are a number of definitions and provisions of the Plan Documents which are not included in this document. Moreover, certain of the provisions in this document are merely summaries of extensive, specific and detailed provisions of the Plan Documents. Therefore, in the case of any discrepancy, inconsistency, ambiguity or vagueness between this Summary Plan Description and the actual Plan Documents, the terms and provisions of the Plan Documents, will prevail and control. Your right to obtain information regarding the Plan Documents is contained in Section XIX.

We hope you will find this information helpful. If you have any suggestions after reading this description, we suggest that you contact the Trustees in care of the Fund's Administrative Manager who will be glad to help you.

A. What does the ACRA-Local 725 Defined Contribution Retirement Plan mean to me?

The ACRA-Local Union 725 Defined Contribution Retirement Plan provides the employees covered by a Collective Bargaining Agreement between an Employer and the United Association Local 725, Miami, Florida who

meet the Requirements described herein with the following:

- A monthly income when you retire. If you retire at age 65, and are eligible, you will receive a Normal Retirement Benefit. You may also be eligible to retire prior to age 65 and receive a reduced Early Retirement Benefit as early as age 55, if you satisfy certain conditions.

These benefits are in addition to any Social Security Benefits you may receive.

- Under certain circumstances the benefit must commence on April 1 of the year which follows the year in which you reach age 70 1/2 even if you continue your employment.
- Death Benefits in the event you die prior to retirement.
- Disability Retirement Benefits should you become totally disabled after earning 2 years vest credits.
- Deferred Vested Retirement Benefits should you leave covered employment after earning 2 years of vesting credits.
- Monthly Benefits payable to your Surviving Spouse after your death occurs (unless this has been waived in accordance with the requirements of the Plan).

If any time after July 1, 1999, you perform work in the ACRA-Local 725 industry (see page 14) for a noncontributing employer (i.e. one who is not obligated or permitted to make contributions to the Pension Plan for any reason, such as not having a collective bargaining agreement with Local Union 725), then you could have your early retirement date deferred, become ineligible for death and disability benefits, have your accrued credits valued at the level then in effect when you last worked for a contributing employer, and incur a reduction in your monthly benefit in order to provide your spouse's pre-retirement survivor benefit.

B. When do I become a participant of the plan?

You become a participant of the Plan *when*:

- (1) you are performing work covered by a Collective Bargaining Agreement between a Contributing Employer and the Union, and
- (2) in a job classification under which such Employer is bound by the Agreement to make contributions to the Trust Fund on your behalf. You may also become a participant if

you work in a job classification not covered by the Collective Bargaining Agreement but are accepted, pursuant to the plan and/or trust for participation pursuant to conditions as are established by the Board of Trustees. See page 6 paragraph (c) and (d) under the heading "Employee". In other words, if you are an employee as that term is defined in the Plan you are a Participant of the Plan.

C. Who pays for my benefits?

(1) Your basic retirement benefits under the plan are provided at no cost to you. The Employers, under the terms of the Collective Bargaining Agreement with the Union, pay for the entire cost of your Defined Contribution Retirement Plan. The amount of the Employer's contributions to the Trust Fund are based on the provisions of the Collective Bargaining Agreement. These are referred to in this Summary Plan Description as "Mandatory Contributions" or "Mandatory Employer Contributions."

(2) In addition certain Salary reduction contributions may be elected on a voluntary basis by you through your Contributing Employer provided Certain Conditions are satisfied. These are referred to in this summary Plan Description as "Elective Contributions." These conditions and provisions are as follows:

(1) amounts credited to your elective contribution account are 100% vested and nonforfeitable at all times.

(2) Except as otherwise specifically provided in this Paragraph C: Elective Contributions shall be considered as a contribution made by the Employer for all purposes of this Plan.

(3) An Election may be made by you only once per Plan Year (commencing with the Plan Year beginning January 1, 2002 and for any Plan year thereafter), by filing a written Election Form with the Plan and the Union, within the Election Period for the next Plan Year for which the Election is to be effective. Any Election shall be applicable to all payroll periods in the Plan Years which begin after the timely filing of the Election Form. An Election may not:

(A) be made retroactively or with respect to any compensation already received by you;

(B) be altered, amended, revoked or changed in any manner, except as set forth in (4) below.

(4) An Election may be cancelled or amended by you only by giving advance written notice to the Plan and the Union, within an Election Period, which shall be effective only for the Plan Year commencing after the Election Period, and for each Plan Year thereafter (subject to your right to file an election or amendment for the Plan Years following the Plan Year for which the cancellation or amendment is filed). In the event of cancellation or amendment, you may not file a new Election until the next Election Period for the Plan year following the Plan year for which such cancellation or amendment was filed.

(5) The Plan may amend or terminate your Elective Contribution at anytime necessary to insure that the total of all contribution in your behalf (Mandatory and Elective) for any Plan Year do not exceed the limitations set forth in item 6 below or of Internal Revenue Code Section 401 (k) or to insure that the Deferral Percentage test described Internal Revenue Code 401(k)(3)(A)(iii) is satisfied for such year. If your Election is amended or terminated by the Plan and you otherwise satisfy the conditions described in this section, your Election will be reinstated the following plan year in its original form unless you file a timely election to amend or terminate the election.

(6) The same reporting, payment, time and other collection procedures and remedies of the Plan shall be imposed upon Employers with respect to Elective Contributions as are applicable and available with respect to all other contributions to the Plan (including, without limitation, Mandatory Contributions).

(7) The Collective Bargaining Agreement may terminate or amend the right to elect Elective Contributions with respect to or any class or category of Participants; provided that such termination or amendment shall not effect any then existing Elective Contribution Account or earnings thereon; provided however that:

(A) Commencing January 1, 2006 the maximum contributions which may be accepted by the Plan (to a Participant's Elective Contribution Account) shall be Fifteen Thousand and 00/100 (\$15,000.00) Dollars in any calendar year (or such higher amount

as may be established from time to time by the Secretary of the Treasury to reflect increases in the cost of living, pursuant to Section 402(g)(5) of the Internal Revenue Code) subject to the following limitations:

(i) The maximum hours for which Elective Contributions may be made for any Plan Year shall be 2,500 Hours of Service regardless of the Elective Contribution Rate elected by you.

(ii) No "catch up" contributions, as described in Section 414(v) of the Internal Revenue Code shall be permitted; provided however, that the Plan may in the sole and absolute discretion of the Trustees, (but shall not be required to), apply the provisions of Section 414(v) of the Code to any Elective Contribution received in excess of the maximum amounts set forth herein ("Excess Annual Contributions") to cure any violations of the maximum amounts of annual contributions permitted under the Code on your behalf, if the plan determines in the sole discretion of the Trustees it is adverse to the best interests of the Plan to return or refund such Excess Annual Contributions to the Employer. The Employer must agree in a written instrument, with the plan (or in a written instrument of which the plan is a third party beneficiary) that,

(aa) the Employer shall comply with all directions from the Plan regarding Elective Contributions from you; and,

(bb) if the Employer maintains a Non Multi-Employer Retirement Plan such Non Multi-Employer Plan:

(1) no contributions shall be made or permitted on behalf of any individual who has filed an Election and have Voluntary Elective Contributions to be made pursuant to the Collective Bargaining Agreement to the Plan; and,

(2) that any disqualification penalties or other adverse actions available to the Internal Revenue Service, Department of Labor, or any other governmental agency under Internal Revenue Code Section 401(a) (or any other applicable law) based on exceeding the limitations of Internal Revenue Code Section 415 due to aggregation of any Non Multi-Employer Plan provided by the Employer with either of the ACRA Local 725 Defined Benefit Plan and/or the Plan will be enforced against the Non Multi-Employer Plan.

(B) Prior to July 1, 2006 the Plan shall credit no more than Seven Thousand

(\$7,000.00) Dollars (or such higher amount as may be established from time to time by the Secretary of the Treasury to reflect increases in the cost of living, pursuant to Section 402(g)(5) of the Internal Revenue Code) per calendar year to your Elective Contribution Account.

(8) For purpose of this Article 1-9(b) the following terms shall have the meanings hereafter set forth.

(A) Eligible Participant - shall mean any Participant eligible to elect wage reduction for contributions to the Plan under the Collective Bargaining Agreement.

(B) Election - shall mean the timely filing within the applicable Election Period, of a properly executed and completed Election Form by an Eligible Participant, exercising the right of such Eligible Participant to cause additional contributions to be made to this Plan on behalf of said Eligible Participant, solely and strictly in accordance with, and pursuant to, the terms of the Collective Bargaining Agreement.

(C) Election Form - shall mean a written document, in form and substance satisfactory to the Trustees in their sole and absolute discretion, filed with the Plan and the Union within the time set forth in sub-paragraph (iii) above, pursuant to which you may elect to have Elective Contributions paid to the Plan pursuant to the Collective Bargaining Agreement. The terms of any such Election Form shall provide that you agree to accept a reduction in wages from the Employer equal to the amount provided in the Collective Bargaining Agreement which is to be contributed to the Plan by contributing Employer. In consideration of such agreement, the Election Form will contain an acknowledgment by you to your Elective Contribution Account on your behalf for which your compensation from the Employer shall be reduced during the Plan Year in accordance with the Collective Bargaining Agreement. Said Election Form shall include an Election by you of the Elective Contribution Rate for the period of time to which the Election Form is applicable.

(D) Electing Participant - shall mean an Eligible Participant who files an Election as required hereunder.

(E) Election Period - shall mean the period commencing on October 1 and terminating November 30 immediately proceeding the Plan Year for which any Election, termination or amendment of an Election is to be effective.

tive. No Election, termination or amendment may be revoked, amended or altered in any manner after the termination date (November 30) of any Election Period.

(F) Elective Contribution Rate - shall mean the amount per Hour of Service of Elective Contribution elected by the Employee for any Plan Year for which and Election is filed by an Eligible Participant. The Elective Contribution rate may not be any amount other than one of the following:

- (aa) \$1.00 per Hour of Service
- (bb) \$2.00 per Hour of Service
- (cc) \$3.50 per Hour of Service
- (dd) \$5.00 per Hour of Service

(G) Non-Multi-Employer Plan - shall mean any retirement plan described in Section 401 of the Internal Revenue Code that is not a Multi-Employer Plan and in the meaning of Internal Revenue Code Section 414(f) and Treasury Regulation Section 1.415-8 9(e).

ARTICLE II

WHAT WORDS HAVE SPECIAL MEANING?

Throughout this description, you will come across certain words or items which are used frequently and which you should know. These terms will help you understand your benefits better if you keep them in mind as you read the rest of this description.

Union - The United Association Local 725 of Miami, Florida or any other union which has a Collective Bargaining Agreement with an Employer and if both the Union and the Employer become a party to the Trust Agreement.

A.C.R.A. - The term "A.C.R.A." as used herein, shall mean the Air Conditioning, Refrigeration, Heating and Piping Association, Inc. and its association.

A.C.R.A. Local 725 Industry and/or Jurisdiction of the Fund - Means the industry, trade or craft in the geographical area over which the Local Union 725 has jurisdiction. For the purposes of this paragraph:

"Industry" refers to the construction and/or service industry in which the employee accrues benefits under this Plan as a result of such employment.

"Trade or craft" refers to all work normally performed by a member of the United Association Local Union 725 of Miami, Florida (of Journeymen and Apprentices of the Plumbers and Pipefitting Industry), as described and

covered in the Collective Bargaining Agreement between Local Union 725 and the Employers or described in the Union's constitution or any other work to which a trade employee of the Contributing Employer has been assigned, referred or is capable of performing by virtue of his skills and training as a tradesman in the trade governed by the ACRA-Local 725 Collective Bargaining Agreement.

"Geographic Area" generally refers to: (1) the state of Florida; (2) any standard metropolitan area either wholly or partially within the state of Florida; (3) any area controlled by a reciprocal agreement (as that term is defined in the Plan).

The terms "ACRA-Local 725 Industry" and "Jurisdiction of the Fund" include only work performed for employers which offer the service described herein to persons other than itself, including the general public.

Contributing Employer - Any corporation or individual, partnership or other business association or entity which enters into a Collective Bargaining Agreement with the Union or is otherwise bound by or becomes bound by a collective bargaining agreement with the Union or is otherwise bound by any written agreement that will require contributions to the Trust Fund on behalf of its Employees. The definition includes reciprocal agreement employers, the Union and the Joint Journeymen and Apprenticeship Training Committee of the ACRA-Local 725 Education Trust Fund.

Employee - Any person who performs work covered by a Collective Bargaining Agreement between an employer and the Union, and for whom the employer must make contributions to the Trust Fund. Employee also includes:

(a) any full time salaried employees of the Union, provided the Union makes contributions to the Trust Fund on behalf of such employees at the same rate as other employers, pursuant to a written agreement with the Trust Fund.

(b) the Coordinator and all full-time instructors (if any) employed by the (Industry Apprenticeship Program of the Joint Journeymen and Apprentice Training) *Air Conditioning, Refrigeration and Pipefitting Education Committee* (of the ACRA-Local 725 Education Trust Fund); provided the Committee contributes to the Trust Fund on behalf of such employees on the same basis as other employers.

(c) those corporate officers, superintendents, supervisors or other employees who, on either a full-time intermittent basis, perform duties covered by the trade jurisdiction of the Collective Bargaining Agreement, provided the employer of such employees make contributions to the Pension Fund at the same rate as other contributing Employers make contributions for their Covered Employees, and pays such contribution except those covered by other retirement plans to which the Employer contributes in their behalf.

(i) Only on the actual hours worked performing duties covered by the collective Bargaining Agreement.

(d) any other person who is eligible for participation in the Plan by virtue of a duly adopted resolution of the Board of Trustees, provided such employee meets the conditions of eligibility as set forth in the resolution.

OWNERS OR PARTNERS OF SOLE PROPRIETORSHIP OR PARTNERSHIPS MAY NOT MAKE CONTRIBUTIONS IN THEIR OWN BEHALF TO THE FUND AND MAY NOT BECOME EMPLOYEES AS DEFINED IN THE PENSION PLAN FOR THOSE YEARS IN WHICH THEY ARE SOLE PROPRIETORS OR PARTNERS.

In order to become a COVERED EMPLOYEE, the person's employer must be obligated to make contributions to the Pension Fund on his behalf.

Contributions - The payment required to be made by an Employer on behalf of an employee to the Trust Fund, in the amount and manner specified in the Collective Bargaining Agreement(s), and/or rules and regulations adopted by the Board of Trustees. Contributions include Mandatory Contributions and Voluntary Contributions.

(a) Mandatory Contributions are payments required by the Collective Bargaining Agreement to be made by your employer on your behalf without any deduction from your salary.

(b) Elective Contributions are payments made by your employer as Salary Reduction Contributions pursuant to an Election filed by you on a voluntary basis, provided the employer has delivered an Employer Agreement to the Plan which remains in effect and all conditions are satisfied for Elective Contributions.

Plan Year - Effective January 1, 2000, the Plan Year will be the 12 month period from January 1 through December 31. However, the first Plan Year was the six (6) month period from July 1, 1999 through December 31, 1999.

Benefit Credits - Benefit Credits include Past Service Credits and Paid Service Credits; (See Section V).

Hours Worked - Each hour for which an employee is paid or entitled to payment regardless of whether it is for performance of duties for a contributing employer. *This term applies only to Vesting accrual, but not to Benefit Accrual.*

Married Participant - An employee who is married (as defined under the laws of any state, commonwealth or territory of the United States) who has been married to the same spouse throughout the one year period immediately preceding the employee's date of death or retirement.

Under certain circumstances a former spouse may be considered the spouse of the Participant under the Plan and the Participant would be considered "married" for those purposes, (e.g. including, without limitation, certain survivor benefits, Qualified Domestic Relations Orders and/or spousal consent).

Reciprocal Agreement - A written agreement between the Trustees of the Pension Fund and other Pension Fund which provides for the transfer of contributions to the Pension Fund or Plan of the Board of Trustees with whom the agreement is entered on behalf of Employees who are working within the jurisdiction of the parties of the agreement. The purpose of the agreement is to provide the continued accrual of benefit for an Employee while working outside the jurisdiction of the employee's home Pension Fund.

Accrued Benefits - as used herein, shall mean the vested account balance of the participant described in Section V(2) hereof.

Break in Service, One Year Break in Service or Forfeiture -

(a) A break in service shall occur when a participant fails to earn 500 hours of service during a Plan Year. However, no Credits shall be lost except as provided in Section VII hereof.

(b) A break in service shall not occur if the participant fails to earn 500 hours of service during a Plan Year due to the participant.

(1) becoming totally disabled so as to be unable to work; or

(2) entering into the Armed Forces of the United States, provided the person returns to work in covered employment within 90 days of discharge, or within 90 days of discharge from a hospital, if the person was hospitalized at the time of separation from the Armed Forces; or

(3) becoming employed by a Contributing Employer in a job classification which is not covered by the ACRA-Local 725 Collective Bargaining Agreement; or

(4) being absent from work due to Maternity or Paternity Leave as defined in the Plan.

Vesting and Benefit Accrual Computation Period - as used herein, shall mean that the vesting and benefit accrual period for this Plan shall be a plan Year (i.e. the twelve month period beginning January 1 and ending December 31).

Retirement - as used herein, shall mean that a participant has completely withdrawn from work in the same industry, in the same trade or craft, and in the same geographical area covered by the Collective Bargaining Agreement between the Union and the Employers as of the date of withdrawal. If a retiree returns to work in the same industry, in the same trade or craft, and the same geographical area covered by the Collective Bargaining Agreement, he shall be subject to the regulations set forth in Article XII hereof. Employees age 65 or over who return to work in Covered Employment for less than forty hours in a calendar month shall continue to be considered Retired Participants.

(a) The term "industry", "trade or craft" shall be determined in accordance with Section 2503.203-3 or ERISA, or as the same may be amended from time to time.

(b) A participant contemplating retirement, or a retiree contemplating returning to work may request a ruling from the Trustees as to whether a particular type of work will be considered as employment under the foregoing provisions.

Employer Agreement - means a written instrument, with the plan (or in a written instrument of which the Plan is a third Party beneficiary) that,

(A) the Employer shall comply with all directions from the Plan regarding Elective Contributions from you; and,

(B) if the Employer maintains a non multi-employer Retirement plan such non Multi-Employer Plan:

(1) no contributions shall be made or permitted on behalf of any individual who has filed an Election and have Elective Contributions to be made pursuant to the Collective Bargaining Agreement to the Plan; and,

(2) that any disqualification penalties or other adverse actions available to the Internal Revenue Service, Department of Labor, or any other governmental agency under Internal Revenue Code Section 401(a) (or any other applicable law) based on exceeding the limitations of Internal Revenue Code Section 415 due to aggregation of any Non Multi-Employer Plan provided by the Employer with either of the ACRA Local 725 defined benefit Plan and/or the Plan will be enforced against the Non Multi-Employer Plan.

Election - Shall mean the timely filing within the applicable Election Period, of a properly executed and completed Election Form by an Eligible Participant, exercising the right of such Eligible Participant to cause additional contributions to be made to this Plan on behalf of said Eligible Participant, solely and strictly in accordance with, and pursuant to, the terms of the Collective Bargaining Agreement.

ARTICLE III QUALIFIED DOMESTIC RELATIONS ORDER

Certain laws affecting employee benefits require plans such as this one to obey certain court orders (such as divorce decrees) that require some of all of your benefits to be paid to your spouse, former spouse, child or dependent. The Trustees will abide by a "Qualified Domestic Relations Order" from a court.

If you are eligible for early retirement, these new laws also authorize the payment of such court ordered benefits to begin while you are still working. The amount of any such payment will be based on the benefit you have already earned on the date they are to begin.

These payments can exhaust your entire interest in the Plan, including future benefits.

You may also have taxable income as a result.

In order to be "qualified" the court order has to meet certain standards established by the laws affecting this Plan. If the order is not a "qualified" order the Trustee may not obey it. The Board of Trustees will decide, based upon advice of legal counsel, whether an order is a "Qualified Domestic Relations Order" and how to direct payment of benefits. Until the Trustees make a decision benefits may be withheld in the Trust Fund separately to account for the amounts. The decision will be made within 120 days of the date the first payment would be required to be made under the Court Order, unless circumstances require more time. If you do not agree with the Trustees' decision, you must file an appeal within 60 days after receipt of the Trustees' decision. You must follow the claims procedure described in Section XXIV (23) entitled "Claim Review and Claim Appeal Procedures."

You should understand that the Plan has no choice in these matters. The Plan must obey a "Qualified Domestic Relations Order." The Plan must be certain that the order is "qualified" before it obeys the order. The Plan will make every effort to notify you as soon as it becomes aware of any attempt to subject your benefits to court order.

EXAMPLE OF QUADRO: The QUADRO may require a Plan to make payments to the alternate payee before the participant separates from service, provided it is after the date in which the participant has attained or would have attained the earliest retirement age. However, the distribution must be calculated as if the participant had retired on the date on which the payment is to begin and the calculation may take into account only the present value of the benefits actually accrued at that date. This limitation applies only to the distribution to be made *prior* to the participant's separation from service. It does not effect past separations from service and/or survivor benefit distributions. Moreover, the calculation is to disregard the present value of any "Employer subsidy for earlier retirement." The QUADRO may provide that the alternate payee has a separate interest including a "separate account." Nonetheless, such a status does not give the alternate payee's account for all pension rights. For instance, the joint survivor options or qualified pre-retirement survivor option annuity provisions of the Code do not apply to the spouse of an alternate payee.

The following example assumes that a QUADRO is entered which requires a Lump Sum payment commence to the former spouse on the earliest retirement date based on 50% of the present value of the participant's benefit as of his early retirement date, even though the participant had not retired or separated from service.

If, on January 15, 2000, a QDRO was entered awarding 50% to the alternate payee, and at the time, the participant was age 52, and had an account balance of \$100,000.00, contributions to the alternate payee would not start until the participant reaches the age of 55. Nonetheless, \$50,000.00 would be allocated to a separate account to the alternate payee and \$50,000.00 to the participant until the participant reached the age of 55 on February 1, 2003. Assume that the investment returns on each \$50,000.00 during the period from January 15, 2000 to February 1, 2003 was \$10,000.00. Assume further that, the participant earned \$5,000.00 in additional contributions in each year and the investment returns on the additional \$5,000.00 totaled \$700.00. Alternate payee requests payment on participants reaching the age of 55. The sum of \$60,000.00 (\$50,000.00 plus \$10,000.00 investment return). would be distributed from the alternate payee's separate account constituting the total amount. The account balance of the participant would be \$75,700.00.

Coordination of QUADRO with Qualified Joint and Survivor Annuity and Qualified Pre-Retirement Survivor Annuity. If the QUADRO treats the former spouse for purposes of a survivor benefit, then, even if the participant elects a single life annuity and if this is permitted by the Plan, the former spouse would still be entitled to the full survivor annuity, provided that the participant died before actual retirement, even if payments had commenced to the former spouse on the participant earliest retirement date, but before actual retirement. The survivor benefit, however, would have to be reduced by the amount she had already received and/or is currently receiving.

The rules governing QUADROs are very complex. Therefore each Domestic Relations Order will be addressed individually.

If you would like to have more detailed information on this subject, please contact the Administrative Manager.

SECTION IV MAXIMUM CONTRIBUTIONS

The Internal Revenue Code requires that the annual contribution to your account may not exceed the lesser of:

(1) 25% of your compensation (not exceeding \$170,000 for 2000). A plan will not qualify unless the annual compensation of each employee taken into account under the plan for any year does not exceed the indexed dollar amount as set forth in section 401(a)(17) of the code, or

(2) \$30,000 for 2000 as set forth in sections 401(a)(17) and 415(c)(1)(A) of the code.

ARTICLE V BENEFIT ACCRUAL

The amount of monthly retirement income to which you become entitled under the Plan depends on your vesting credits and account balance.

(1) **Vesting Credit.** Your Vesting Credits determines your right to receive benefits. This is the number of years of Vesting Service after July 1, 1999 based on the number of hours in which you work during each Plan Year in accordance with the following table:

(A) Schedule of Vesting for Mandatory Contribution for Plan Years:

| Hours Credited During Plan Year for a Contributing Employer | 07/01/99 to 12/31/99 | Service after 01/01/00 |
|---|----------------------------|------------------------------|
| Less than 250 | .000 | .000 |
| 250 but less than 500 | .500 | .000 |
| 500 but less than 1000 | 1.000 | .500 |
| 1000 or more | 1.000 | 1.000 |

In addition, any Participant who was one hundred (100%) percent vested to a retirement benefit from the ACRA Local 725 Pension Plan as of December 31, 1998 will be one hundred (100%) percent vested to Benefits based on Mandatory Contributions to this Plan upon having any hours of work reported to this Plan on or before December 31, 2000.

(B) Vesting for Elective Contributions all Voluntary Contributions are immediately and fully vested regardless of vesting benefits based on Mandatory Contributions.

(2) **Accrued Benefit.** Retirement benefits from the Plan will be based on the value of your account balance calculated as of the valuation date immediately proceeding your date of retirement or any date succeeding your retirement date as you may elect.

(a) The Participant's account balance is a total of all Mandatory and Elective Contributions paid on behalf of the Participants forfeitures, which are added to the balance and less forfeitures which are deleted, plus all earnings and losses on your account. Separate accounts are held for each Participant, which is credited and debited according to the contributions, forfeitures, incomes, loss and expenses.

(b) A forfeiture is that portion of the Participant's account, which is not vested at the time the Participant incurs a loss of credits and benefits. (See Section V(1) above and VIII.) Forfeitures, which are reduced from a Participant's account are allocated among the other Participants based on the ratio that, the total contribution for each Participant under his behalf that contributions have been made during the Plan Year, which the forfeiture occurs, bears to the total contribution for all Participants on whose behalf contributions have been made during the Plan Year.

ARTICLE VI WHEN MAY I RETIRE?

(1) **Normal Retirement.** Normal Retirement Benefits are payable for persons retiring at age 65 or later. You may retire and begin receiving benefits if you are 65 years old and have reached the first anniversary of your participation in the Plan and have accumulated at least 2 years of Vesting Credits.

(2) **Early Retirement.** If you want to retire before age 65 and you are between 55 and 65 years old and have at least 2 years of Vesting Credit, you may retire early.

(3) **Late Retirement.** You may, on your normal retirement date, elect to postpone your retirement income payments until a later date. Retirement income payments will begin on the first day of the month coincident with, or next following, the date of your actual retirement. Recent changes in the law require that benefit payments much commence after you reach age 70 1/2 regardless of your employment status.

(4) **Disability Benefits.** Regardless of your age, if you become totally and permanently disabled and have at least 2 years of Vesting Credits, you may apply for disability benefits.

ARTICLE VII PAYMENT OF BENEFITS

A. How will my benefits be paid when I retire?

(1) If you have no spouse when you retire, you will normally receive a Lump Sum payment of your accrued benefit.

(2) If you are married when you retire and you and your spouse do not elect a Lump Sum payment, you will receive a somewhat smaller

If you and your spouse do not want your pension reduced to provide the Joint and 66 2/3% Survivor Benefit you must choose to receive your benefit in the normal form of payment which is discussed above or in one of the other ways that are discussed in Section XI and following the completion of a special written form signed by you and your spouse, and filing it with Board of Trustees at any time before you retire. If you change our mind, you can cancel this choice by filing another special written form signed by you and your spouse with the Board of Trustees before your retirement benefits commence.

F. What if I continue to work after commencing to receive benefits?

If you return to work for a contributing employer after you commence receiving benefits (other than disability benefits) you shall receive additional credit for contributions made on your behalf for periods of such reemployment, provided that, all other provisions of the Plan are satisfied to entitle you to receive such additional credits. However, you will not be entitled to withdraw those additional credits earned during such reemployment until, you have satisfied all the requirements for normal retiring including attainment of normal retirement age of sixty-five (65).

**ARTICLE VIII
WHAT IS VESTING?
HOW DO I BECOME VESTED IN THE
BENEFITS OF MY RETIREMENT PLAN?**

Vesting refers to your right to receive a retirement benefit even though you terminate your employment prior to retirement. You become vested in your retirement benefits based on mandatory Contributions after earning 2 years of vesting credits and are vested immediately for all elective contributions. (See definition of Vesting Service on page 9 of this booklet).

A. What if I stop work in covered employment after I am vested?

As explained above, if you stop work in covered employment after becoming vested, that is, after you have earned at least 2 Vesting Credits, you are entitled to benefits starting at age 65 and on the first anniversary of your participation in the Plan. The amount of your retirement benefit will be based upon the accrued account balance you have earned. You may elect to have the benefits begin at age 55 providing you have at least 2 Vesting Credits. The reduction factors would be the same as those used to determine Early Retirement Benefits and would be based on age and your account balance at the time you start receiving benefits.

EXAMPLE:

Let us assume that you leave covered employment at age 55 with 10 years of Vesting Credits and your account balance was \$20,000 at that time. Also assume the Plan earned income net of expenses of 7% per year and you choose to retire at age 60, electing the Lump Sum Payment Option. Your benefit would be:

| | |
|---------------------------|---------------------|
| Account balance at age 55 | \$20,000.00 |
| New Contributions | 0.00 |
| Net earnings | |
| (7% compound x 5 years) | <u>+\$ 8,051.00</u> |
| Accrued Account Balance | |
| @ Retirement | \$28,051.00 |
| (Lump sum payment) | |

B. What if I stop work in covered employment before I am vested?

IF YOU ARE NOT VESTED WHEN YOU LEAVE COVERED EMPLOYMENT AND INCUR THE NUMBER OF CONSECUTIVE BREAKS IN SERVICE EQUAL TO YOUR TOTAL VESTING SERVICE, YOU WILL NOT RECEIVE ANY BENEFITS FROM THE PLAN BASED ON MANDATORY CONTRIBUTIONS MADE ON YOUR BEHALF, HOWEVER, YOU WILL RECEIVE BENEFITS BASED ON YOUR ELECTIVE CONTRIBUTIONS.

**ARTICLE IX
IS IT POSSIBLE THAT I MIGHT LOSE MY
CREDITS FOR VESTING FOR BENEFIT
PURPOSES?**

Yes, depending on your Total Vesting Credits, you may lose your Mandatory Contribution account balance and Vesting Credits if during any Plan Year you do not have credited to you at least 500 hours of contribution in the Plan Year (250 hours during the Plan Year July 1, 1999 through December 31, 1999.) However, this possibility does not apply to benefits based on Voluntary Contributions.

A. Rules for loss of credit for benefits based on Mandatory Contributions.

A break-in-service occurs whenever you work less than 500 hours during a Plan Year and have less than 2 Vesting Credits and your number of consecutive breaks-in-service (i.e. Plan Years in which you are credited with less than 500 hours worked) is equal to or greater than your years of Vesting Credits, you lose credit for all your prior years of service and your accrued retirement benefit will be canceled. However, in no event shall such break-in-service occur earlier than the fifth year.

EXAMPLE:

A participant who had accrued 1 Vesting Credit and thereafter earned no Vesting Credits for 5 consecutive Plan years, would lose all his credits because the period of his absence was greater than the period of his service.

If you lose your total Vesting Credit as described above, you must start your service again as a new participant.

B. General Exceptions

A break-in-service will not occur and you will not lose your total credits for vesting or benefit purposes if you work less than 500 hours in covered employment during a Plan Year and you:

- (1) have been disabled so as to be unable to work at least ninety (90) consecutive days during the Plan Year;
- (2) have entered into the Armed Forces of the United States and return to covered Employment

with a Contributing Employer within ninety (90) days of your discharge from the Armed Forces or from a hospital, if you are hospitalized at the time of your separation from the service; or if you are unable to become re-employed by a Contributing Employer due to lack of work available, but have qualified for referral to Contributing Employer due to lack of work available, but have qualified for referral to Contributing Employer(s) by the Union and remain available for referral to Contributing Employers(s) for a period of at least one hundred eighty (180) days after reporting to the Union (and qualifying for referral by the Union to the Contributing Employers) within the ninety (90) days after termination of Active Military Service."

(3) remain employed by or become a Contributing Employer, but in a category of work not covered by a Collective Bargaining Agreement or are self-employed as a sole proprietor or partner who is a contributing employer to the Plan;

(4) are not employed because of maternity or paternity including the placement of a child with you for adoption and/or the caring of such child by you for the period immediately following such birth or placement. You will be credited with a maximum of 500 hours of credited service during a Plan Year for such absences to prevent a break-in-service. The crediting of the 500 hours is solely for the purpose of excusing a break-in-service and will not be used for purposes of vesting or benefit accrual;

(5) have 2 or more years of Vesting Service, in which event you will be "vested" (see prior question).

(6) are not employed due to Election under the Family Medical Leave Act. You will be credited with up to 480 hours of Credited Service for such absence per Plan Year but only to excuse a break-in-service, and not for purposes of vesting or benefit accrual.

ARTICLE X

WHAT IF I BECOME DISABLED?

If you have become totally and permanently disabled and you have been credited with at least 2 years of Credited Service, then you may be eligible for a disability benefit under the plan. Your disability benefit will be based on your accrued account balance on the date you became disabled (see page 9).

Your disability benefit will be payable either in a Lump Sum or if you elect not to receive a Lump Sum the monthly Jointed Survivor annuity option you elect based on your accrued account balance which is payable on the first day of each month. The first payment will not be paid until you furnish the Board of Trustees with a copy of the disability award granted by the Social Security Administration or in certain circumstances

written certification from two (2) medical doctors on the form approved by the Plan. If you elect not to receive a Lump Sum then the first payment will be a monthly amount and will be payable with the later of commencement of your Social Security disability payments on the date set forth in the medical certifications and receipt by the Board of Trustees of your application for disability benefit provided you do not elect a Lump Sum then your last payment would be (i) if you recover from disability prior to your normal retirement date, the payment due following the loss of eligibility for Social Security benefits, or (ii) if you die without recovering from your disability, the payment due next proceeding your death.

IMPORTANT: You should submit a disability application to the Board of Trustees no later than the same time you file your application with Social Security Administration. Your disability benefit may be payable retroactively, but not earlier than the date on which the Pension Trust Fund receives your application for disability benefits.

The term total and permanent disability shall not include disabilities for chronic alcoholism, drug addiction or disabilities incurred as the result of a felonious enterprise or self-inflicted injury.

A disability benefit is not available to a participant who has elected early retirement (for a reason other than injury or illness for which the individual is seeking a disability award pursuant to the Plan) nor to a participant who is eligible for normal retirement benefits. A participant must have had some hours of service under the Plan within and eighteen (18) month period of becoming totally and permanently disabled.

ARTICLE XI

WHAT ARE THE DIFFERENT WAYS MY BENEFITS CAN BE PAID?

You may change your choice at any time before you retire by filing a written form. There are standard form of benefits and optional form of benefits. A standard form of benefit will be received by you unless you elect an optional form of benefit. All options must be elected in writing on forms provided by the Trust Fund. In the case of married participants, the optional forms of benefits and other Elections must be signed by both the participant and the participant's spouse.

A. Standard Forms of Benefits.

(1) A Lump Sum distribution is the normal form of benefit for an unmarried participant and an optional form of benefit for a married participant.

(2) *Married Participants Joint and Survivor Annuity.* If You Are Married - The standard benefit form for married people is a "66 2/3% husband and wife (joint and survivor) annuity." This may take the form of either a Joint and Survivor Annuity (for those who have reached retirement)

or a Pre-Retirement Survivor Annuity. For purposes of the descriptions that are contained in the Summary Plan Descriptions both the Joint and survivor Annuity and the Pre-Retirement Survivor Annuity are referred to as the Spouse's Survivor Annuity. This pays you a monthly pension for your life. Upon your death, your spouse will receive a monthly pension for life equal to one-half of the monthly pension paid to you while you were alive. This benefit pays a smaller monthly amount for your lifetime to pay the cost of providing a monthly pension for the life of your spouse.

B. Optional Benefits.

Lump Sum Distributions - If you are married, you and your spouse may elect a Lump Sum distribution of your account balance.

Where the value of the benefit is under \$3,500 the Plan may require Lump Sum Distributions. In the event the Employee receives a Lump Sum distribution, certain federal tax rules apply regarding the taxation of that distribution and, rollovers and mandatory withholding by the Plan. If further information is sought regarding such matters please contact the Plan Administrator for a copy of the Notice.

Survivor Benefit Option (A Pre-Retirement Benefit) - If you have 2 years of Vesting Credit, are age 55 or older, and are married, you may elect the Survivor Benefit Option. You can elect this option by filing a Special Form with the Board of Trustees any time prior to retirement and after meeting the foregoing requirements. The benefit will become effective immediately after your 55th birthday, or on the date such Form is filed with the Trustees, whichever is later.

If you choose this Optional Pre-Retirement Death Benefit, then your benefit at retirement will be reduced by a small amount which reflects the cost of this additional benefit. The reduction will be .65% per year of coverage.

C. Cost.

The cost of providing the spouse's survivor benefit is paid by reducing the amount of the benefit paid at your death, or if you retire, by reducing the amount of the reduction paid, at your retirement. You can avoid having a reduction of benefits, having no lifetime survivor benefit paid to your spouse, by waiving the spouse's survivor benefit. A waiver must be accomplished on a written form provided by the Trust Fund electing another form of benefit and must be signed by the participant and the participant's spouse. The cost of electing an optional survivor's benefit is paid by reducing the amount of the benefit payable upon your retirement or upon your death. The amount of reduction is determined by actuarial portions as set forth in the Plan and your Summary Plan Description.

D. Death while an Active Employee participating in the Plan if Survivor Benefit Option is not in effect.

Upon your death under these circumstances, your beneficiary is eligible to receive a lump-sum payment based on your vested account balance.

E. How do I elect Option Forms of Benefits?

(1)*Election of Optional Benefits.* Optional forms of benefits must be elected on a timely basis prior to the date of your actual retirement in writing to the Board of Trustees. If you are married such an Election must be on a form provided by the Trust Fund and signed by the participant and the participant's spouse. Evidence of good health may be required at the discretion of the Board of Trustees. Revocation of an Election may be done no later than ten (10) days after the receipt of your first benefit payment and such revocation must be in writing to the Board of Trustees.

YOUR SPOUSE MUST CONSENT IN WRITING TO AN ELECTION OF, OR ANY REVOCATION OF ANY ELECTION NOT TO RECEIVE THE STANDARD HUSBAND AND WIFE ANNUITY. If you elect not to have benefits paid as a husband and wife (joint and survivor) annuity then your spouse will not be paid a monthly pension for life. You can revoke an Election any time but not less than then (10) days after you receive your first pension check. If you revoke an Election you will automatically be paid the standard benefit unless you elect another optional benefit.

(2)*Waiver.* You may waive the spouse's survivor benefit by filing a written Election. However, if you should die before retirement, your spouse will not be paid a monthly survivor benefit payable for life. Your spouse must consent in writing to this waiver. **Please contact the Fund Office if you want to waive the spouse's survivor benefits.**

(3)**IMPORTANT NOTICE: REVOCATION OF A JOINT AND SURVIVOR OPTION, ELECTION OF ANY OTHER FORM OF BENEFIT AND/OR DESIGNATION OF A BENEFICIARY OTHER THAN YOUR SPOUSE REQUIRES THAT A WRITTEN FORM AND THE WRITTEN CONSENT OF YOUR SPOUSE BE FILED WITH THE FUND OFFICE. ANY PROVISION OF ANY AGREEMENT WITH ANY OTHER PARTY INCLUDING ANY PRENUPTIAL AGREEMENT, SETTLEMENT AGREEMENT, WILL, TRUST AGREEMENT, OR ANY CONTRACT OF ANY KIND OR ANY COURT ORDER, RULING, LIEN, ASSESSMENT, DOCUMENT OR ARRANGEMENT WHATSOEVER (OTHER THAN A QUALIFIED DOMESTIC RELATIONS ORDER AS DESCRIBED IN SECTION III) CANNOT CHANGE THE FORM OF BENEFIT PROVIDED FOR A MARRIED PARTICIPANT WITHOUT FILING**

THE WRITTEN ELECTION FORM DESIGNATING THE NEW FORM OF BENEFIT, AND/OR NEW BENEFICIARY AND THE WRITTEN CONSENT OF THE SPOUSE.

F. What happens if I have not designated a beneficiary?

If you have not designated a beneficiary in writing and/or have not filed it with the Fund Office then the lump sum death benefit may be paid to your named beneficiary on file with the Health and Welfare Fund. If the named beneficiary predeceases you or you have not designated a beneficiary, then the Trustees may direct the death benefits be paid to your spouse. If you do not have a spouse or if your spouse cannot be located then the benefit will be paid equally among all your children. If any child of yours cannot be located or predeceases you then the benefit will be paid to your estate (and the Plan may open your estate for this purpose). If none of the above can be accomplished. The plan may file an Interpleader Action in the Circuit Court for Miami-Dade County Florida or such other jurisdiction the plan deems proper.

G. Lump Sum Distributions and Rollovers

Lump Sum Distribution is the normal form of benefit payable for an unmarried participant and an optional form of benefit for a married participant. (Note: beginning July 1, 2007 the following rollover provisions are also available for your non-spouse beneficiaries.)

Where the value of the total benefit is under \$3,500 the plan may require a Lump Sum Distribution. A Lump Sum Distribution may be eligible for "rollover". A payment for the plan that is eligible for "rollover" can be taken in two ways. You can have all or any portion of your payment eligible for a rollover either (1) PAID IN A "DIRECT ROLLOVER" or (2) PAID TO YOU. A rollover is a payment of your Plan benefits to your individual retirement arrangement (IRA) or to another employer plan. This choice will affect the tax you owe.

(1) If you choose a DIRECT ROLLOVER - Your payment will not be taxed in the current year and no income tax will be withheld.

Your payment will be made directly to your IRA or, if you choose, to another employer plan that accepts your rollover.

Your payment will be taxed later when you take it out of the IRA or the employer plan.

(2) If you choose to have your Plan benefits PAID TO YOU -

(i) You will receive only 80% of the payment, because the Plan administrator is required to withhold 20% of the payment and sent it to the IRS as income as withholding to be credited against your taxes.

EXAMPLE: If your eligible rollover distribution is \$3,500, only \$2,800 will be paid to you because the Plan must withhold \$700 as income tax. However, when you prepare your income tax return for the year, you will report the full \$3,500 as a payment from the Plan. You will report the \$700 as tax withheld, and it will be credited against any income tax you owe for the year.

Your payment will be taxed in the current year unless you roll it over. You may be able to use special tax rules that could reduce the tax you owe. However, if you receive the payment before age 59 1/2, you also may have to pay an additional 10% tax.

(ii) Sixty-Day Rollover Option for amounts paid directly to you. If you have an eligible rollover distribution paid to you, you can still decide to rollover all or part of it to an IRA or another employer plan that accepts rollovers. If you decide to rollover, you must make the rollover within 60 days after you receive the payment. The portion of your payment that is rolled over will not be taxed until you take it out of the IRA or the employer plan.

You can rollover up to 100% of the eligible rollover distribution, including an amount equal to the 20% that was withheld. If you choose to rollover 100%, you must find other money within the 60-day period to contribute to the IRA or the employer plan to replace the 20% that was withheld. On the other hand, if you rollover only the 80% that you received, you will be taxed on the 20% that was withheld.

EXAMPLE: Your eligible rollover distribution is \$3,500, and you choose to have it paid to you. You will receive \$2,800 and \$700 will be sent to the IRS as income tax withholding. Within 60 days after receiving the \$2,800, you may rollover the entire \$3,500 to an IRA or employer plan. To do this, you rollover the \$2,800 you received from the Plan, and you will have to find \$700 from other sources (your savings, a loan, etc.) In this case, the entire \$3,500 is not taxed until you take it out of the IRA or employer plan. If you rollover the entire \$3,500 when you file your income tax return you may get a refund of the \$700 withheld.

If, on the other hand, you rollover only \$2,800, the \$700 you did not rollover is taxed in the year it was withheld. When you file your income tax return you may get a refund of part of the \$700 withheld. (However, any refund is likely to be larger if you roll over the entire \$3,500.)

(3) A number of complex federal tax issues and Elections apply to such Rollovers. For more information you may contact the Fund Office to obtain a copy of "SPECIAL TAX NOTICE REGARDING PLAN LUMP SUM DISTRIBUTIONS."

(4) These same rules will apply to all voluntary Lump Sum Distributions pursuant to the Plan or elected by the participant.

ARTICLE XII

CAN I LOSE ANY OF MY BENEFITS FROM THIS PLAN?

Your Defined Contribution Retirement Plan is a valuable tool for planning for your retirement years. As you work for contributing Employers, you continue to build service for vesting and for calculating your monthly benefit. Obviously, the longer you work for contributing Employers, the greater your monthly benefit will become. Although you may intend to continue your covered employment until your normal retirement date, there may be a time when your personal situation will prevent you from carrying out your intentions. Consequently, you should be aware of the following circumstances which could cause you to lose or forfeit your benefits under the Plan:

"NOTE: except as stated in the next sentence, the following apply only to benefits based on Mandatory Contributions. However, items 7 and 8 could apply to benefits based on Voluntary Contributions."

(1) If you fail to be credited with at least 500 hours during any Plan Year, you will lose your total Vesting Service unless you meet certain requirements as explained under the question "Is it possible I might lose my credits for benefit purposes?" (See Section V & VIII)

(2) If you lose your Vesting Credits, as provided in (1) above, then you are considered as a terminated employee, and you must start your Vesting Service anew if you again become a participant in the Plan.

(3) If your service is terminated before you have 2 Vesting Credits, then you have no benefits under the Plan whatsoever.

(4) If you elect to Retirement and later become reemployed in the same industry, in the same trade or craft and the same geographical area covered by the Plan including contributions received from reciprocal agreements, you will accrue benefit credits during the period of reemployment, but you shall not be entitled to withdraw such additional contributions until the Normal Retirement requirements are satisfied including the age requirement.

(5) If you become totally and permanently disabled, but have less than 2 years of Vesting Credits, you will not be eligible for a disability benefit. If your disability consists of chronic alcoholism or addiction to narcotics, or if such incapacity was contracted, suffered or incurred, while you engaged in a felonious enterprise, or resulted therefrom, or resulted from an intentionally self-inflicted injury or drug overdose you will not be eligible for a disability benefit.

(6) If you work for an employer not signatory to a Collective Bargaining Agreement with the Union or an employer not authorized by the Board of Trustees to make contributions into the Trust Fund, you will not be given any Vesting Credit for this work and may lose your Vesting Credit as described in (1) above.

(7) If you fail to supply the necessary written information as required by the Trustees or make a false statement material to your claim.

(8) If the Plan is discontinued and the assets of the Plan are insufficient to provide full payment of accrued liabilities for all participants.

(9) Death of a participant who has at least two (2) years of Vesting Credit and is over age 55 at the time of death, who elected not to have the Survivor Benefit. In this event, your beneficiary would receive the Lump Sum Payment based on your account balance at the date of your death.

(10) If you work more than 500 hours, but less than 1,000 hours during a Plan Year, you will not suffer a break in service, but you will also not receive a full year of Vesting Service for that Plan Year.

(11) In no event may your annual retirement benefit from the Plan exceed the legal limit of the lesser of the sum described in Article IV or 100% of the average annual compensation you receive in the three (3) years which produce the highest amount.

(12) If, at any time after July 1, 1999 you perform work in the ACRA-Local 725 industry for a noncontributing employer (i.e. one who is not obligated or permitted to make contributions to the Pension Plan for any reason, such as not having a collective bargaining agreement with Local Union 725), then you would become ineligible for disability benefits.

EXAMPLE OF DISABILITY RETIREMENT LIMITATION: You decide to go to work in the industry and within the geographic region of Local No. 725 for an employer who is not signatory to a collective bargaining agreement with Local No. 725, you will not be eligible for a Disability Defined Contribution Retirement Benefit under the Plan.

ARTICLE XIII

CAN I WORK WHILE RECEIVING BENEFITS?

If you enter into any employment after retirement, any work in the same industry, same trade or craft in the same geographical area covered by the Plan (including under reciprocal agreements) your benefits shall not be terminated. However any additional contribution earned can not be withdrawn until you have satisfied all the require-

ments for Normal Retirement benefits, including the age requirement.

NOTE:

(a) You may continue to work but once you reach age 70 1/2 your monthly benefit must commence. You will also accrue benefit credits on contributions made in your behalf for covered employment after you are age 70 1/2.

(b) If, at any time after July 1, 1999 you perform work in the ACRA-Local 725 industry for a noncontributing employer (i.e. one who is not obligated or permitted to make contributions to the Pension Plan for any reason, such as not having a collective bargaining agreement with Local Union 725), then you become ineligible for disability benefits.

ARTICLE XIV

WHAT HAPPENS IF THE PLAN TERMINATES?

Although your contributing Employers intend to make contributions sufficient to maintain the Plan on a sound actuarial basis and although there are certain legal minimum annual contributions which must be made in order to maintain the Plan, neither your Contributing Employers nor any of its officers, agents, Employees or the Board of Trustees guarantees, in any manner, that contributions will be made. All contributions made by your Employers including Mandatory and Voluntary Contributions will be placed in the Trust Fund and all benefits under the Plan will be paid from the Trust Fund. Any person having any claim under the Plan will look solely to the assets of the Trust Fund for satisfaction.

If the Plan is terminated for any reason, the assets of the Trust Fund will be distributed to participants and to the beneficiaries of the Plan.

ARTICLE XV

HOW IS MY PLAN ADMINISTERED?

The Board of Trustees administer the Plan and acts as the Plan Fiduciary. The trustees have authority to make the rules and regulations necessary for the day-to-day operations of the plan.

ARTICLE XVI

HOW DO I FILE A CLAIM FOR BENEFITS UNDER MY PLAN?

If you wish to file a claim for benefits under the Plan it shall be directed in writing to the attention of the Trustees. See item 1 of Article XXIII Part 1 on page 21 for the Trustees address.

ARTICLE XVII

**IF MY CLAIM IS DENIED,
HOW DO I FILE AN APPEAL?**

If you make a claim for benefits under the Plan and all or part of it is denied, the Trustees will notify you of the reasons for the denial with specific reference to the appropriate plan provisions. The Trustees will also tell you how you can ap-

peal this decision. You may also appeal if you have not had a response within 90 days after filing your original claim for benefits.

The appeal process is stated below for your information.

(1) Within 60 days of receiving the Trustee's determination letter, you may send a certified or registered letter to the Trustees at the address listed in paragraph 1 of Article XXIII indicating your reasons for appeal and any additional information to support your claim for benefits.

(2) If the Trustees, after reviewing this information still determine you are not entitled to the benefits you claim, you or your representative can appeal personally to give further written or oral support to your claim and to review any pertinent documents.

(3) Within 60 days of your appearance, the Trustees will notify you by certified letter of its final decision and the specific reasons for its decision.

**ARTICLE XVIII
DIRECT DEPOSIT**

(a) *Election to Use Direct Deposit:* If the participant wishes to continue or to initiate a new direct deposit program he must sign the agreement provided by the Trustees. This agreement requires the participant to acknowledge that Defined Contribution Retirement Trust Fund has agreed to the participant's request for direct deposit solely as an accommodation to the participant, that the Trust Fund can not guarantee that the checks will be properly credited to the account of the participant. Therefore the participant agrees to hold harmless and indemnify the Trust Fund from any loss of damage including bank charges, penalties, etc. which might result from the direct deposit check not being deposited in the account of the participant, for any reason beyond the control of the Pension Trust Fund.

(b) *Failure to File Election to Use Direct Deposit:* If, after a request for direct deposit the Agreement discussed in paragraph (a) is not received by the Trust Fund within 35 days of notice from the Trust Fund, the participant will be deemed to have elected to discontinue direct deposit. The Trust Fund will forward the check for benefits directly to the participant at the last address on the records of the Pension Fund.

This procedure has been adopted in order to save cost to the Trust Fund and/or the participant, which may arise from non-crediting of a check to the account of the participant through no fault of the Defined Contribution Retirement Trust Fund. The primary advantage of not using direct deposit is that the participant will receive the check and knows when to expect it. If it does not arrive in a normal time he can advise the Trust Fund. The check has not been deposited and

therefore should not issue checks or otherwise act in a manner which could result in bank charges or penalties.

ARTICLE XIX STATEMENT OF ERISA RIGHTS

Your rights under the Employee Retirement Income Security Act of 1974: As a Participant in the ACRA-Local 725 Defined Contribution Retirement Plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974. ERISA provides that all plan participants shall be entitled to:

1. Examine, without charge, at the plan administrator's office and at other specified locations, such as work-sites and union halls, all plan documents, including insurance contracts, collective bargaining agreements and copies of all documents filed by the plan with the U.S. Department of Labor, such as detailed annual reports and plan description.

2. Obtain copies of all plan documents and other plan information upon written request to the plan administrator. The administrator may make a reasonable charge for the copies.

3. 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.

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

5. The procedure for obtaining statement of benefit, or any of the above data, must be in writing and sent by Certified Mail to the Trust Fund in care of its Administrative Manager:

Core Management Resources
P.O. Box 840
Macon, Georgia 31202

The Plan is required to provide only those records and documents required under 29 CFR Section 105.3. The Plan will provide witnesses for court proceedings, including QUADROS, only if the subpoena is duly served under applicable law. All information furnished is to be subject to the accuracy of information in the files, records and data of the Plan on the date that it is provided. Such information will only be verified upon actual application for final retirement benefits. Any statement of benefits is not binding upon the

Plan, but is merely a projection as to then current calculations. Actual benefits may be varied and/or may not be available based upon the actual provisions of the Plan, and the facts as they are determined to exist at the time of actual application for benefits.

NOTE: Pursuant to certain Federal Court decisions, any error contained in any written or oral notice, statement or other communication from the Plan to any party whatsoever, which errors do not involve questions of plausible interpretation of Plan provisions, are not binding on the Plan. Matters which do not involve question of reasonable interpretation of Plan provisions include facts of which the party receiving the communication has knowledge or should have knowledge (including but not limited to their age, marital status, health or that of any spouse or dependent), mathematical calculations (including but not limited to reported hours worked, contributions received, mathematical errors in benefit calculation, etc.) or matters which contradict the clear and unequivocal terms of the Plan. See e.g. *Law v. Ernst and Young*, 956 F.2d (1st Cir., 1992).

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 retirement benefits or exercising your rights under ERISA.

If your claim for a retirement benefit is denied in whole or part you must receive a written explanation of the reason for the denial. You have the right to have the Board of Trustees of the Plan review and reconsider your claim.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$100 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 claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or 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 federal court.

The Court will decide who should pay court costs and legal fees. If you are successful the court

may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

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 Area Office of the U.S. Labor Management Service Administration, Department of Labor.

ARTICLE XX ASSIGNMENT OF BENEFITS

For the protection of your interest and those of your dependents, your benefits under this Plan cannot be assigned and, to the extent permitted by law, are not subject to garnishment or attachment.

ARTICLE XXI PLAN DOCUMENTS

This description is a summary of your Pension Plan documents. We have tried to write this summary in clear, understandable and informal language. Please refer to the official Plan documents for more extensive information. *In the event of any conflict between this description and the Plan documents, the Plan documents will govern.*

You are entitled to examine the Plan documents, the Plan Description and the Plan Annual Report as soon as they are filed with the Secretary of Labor. These documents may be seen in the Fund Office. If you would rather have a copy of these documents, send a written request to the Board of Trustees. The charge for copying may be up to .25 cents (.25) per page.

ARTICLE XXII SUMMARY ANNUAL REPORT AND PLAN CHARGES

You will receive a summary of the annual report of the plan once each year at no charge. As modifications to the Plan are made, you will also be notified.

ARTICLE XXIII PART I INFORMATION REQUIRED BY THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

1. The Plan is administered and maintained by the Joint Board of Trustees at the following address:

BOARD OF TRUSTEES

A.C.R.A Local No. 725
Defined Contribution Retirement Trust Fund
c/o Core Management Resources
P.O. Box 840
Macon, Georgia 31202
(478) 741-3521 or (888) 741-2673

2. The Plan is a Pension Plan. It provides retirement, and certain spouse, surviving, death and disability, and death benefits.

3. The names and addresses of the Trustees are listed below:

LABOR

Kenneth Scott
c/o L.U. No. 725
13185 N.W. 45th Avenue
Opa Locka, Florida 33054

Ralph Marinello
7301 S.W. 98th Street
Miami, Florida 33156

James Taylor
c/o L.U. No. 725
13185 N.W. 45th Ave.
Opa Locka, Florida 33054

Richard J. Folkman
1420 N. W. 79th Way
Dembroke Pines, FL. 33024

MANAGEMENT TRUSTEES

William Ansley
7275 N.W. 74th Street
Miami, Florida 33166

Ed Llosent
Airtech Air Conditioning
7805 N.W. 55th Street
Miami, Florida 33166

Wayne K. Masur
Kelico, Inc.
2680 Hunter Court
Weston, FL. 33331

Herbert Dell
Hill York Sales & Service Corporation
10650 N.W. 6th Court
Miami, Florida 33168

4. The Employer Identification Number (EIN) issued to the Board of Trustees by the Internal Revenue Service is 58-2490173 and the Plan Number (PN) is 003.

5. The date of the end of the Plan Year is December 31st.

6. Core Management, P.O. Box 840, Macon, Georgia 31202, has been designated as the agent for the service of legal process.

7. **FUNDING MEDIUM.** Benefits are provided from the provisions of the Collective Bargaining Agreement and the Trust Agreement and held in a Trust Fund for the purpose of providing benefits to covered participants and defraying reasonable administrative expenses.

8. **CONTRIBUTION SOURCE.** All contributions to the Plan are made by employers in accordance with their collective bargaining agreement with ACRA-Local 725. See the section en-

titled "Statement of ERISA rights" on page 19 if you wish to obtain additional information about the Collective Bargaining Agreement. For further details on Mandatory Contributions see Article I, Section C and Article II under the heading Contributions.

9. INVESTMENT OF FUND ASSETS. The Funds assets and reserves are invested in bank accounts, federal securities in banks and other investments. The investments are currently managed by a professional Investment Manager. See the section entitled "Statement of ERISA Rights" on page 19 if you wish to obtain additional information concerning the Fund's investment assets and checking accounts.

10. ELIGIBILITY. The Plan's requirements with respect to eligibility to receive a benefit as well as circumstances that may result in disqualifications, ineligibility, or denial or loss of any benefits are fully described in the sections of this booklet entitled "When May I Retire?" and "Can I lose Any of My Benefits From This Plan?"

11. TYPE OF PLAN. The A.C.R.A. Local No. 725 Defined Contribution Retirement Trust Fund is a Retirement Plan providing retirement, and certain spouse, surviving, death and disability, and death benefits. All benefits are self-funded out of contributions and assets of the Fund, except that:

Certain future retirement benefits may be paid by purchase of annuities from an insurance company or other entity as authorized or permitted by ERISA.

12. ADMINISTRATION OF THE PLAN. The Board of Trustees are responsible for the overall administration of the Plan. For purposes of maintaining the necessary records and the handling of day-to-day business affairs of the Plan, the Trustees have retained the services of Core Management Resource Group, Inc.

13. PLAN SPONSORS. The Union and Employers participating in the Plan are the Plan Sponsors. A complete list of participating employers may be obtained by written request to the Plan Administrator.

14. PLAN DOCUMENTS. The Plan, the Trust Agreement, and all amendments and resolutions entered into the Board of Trustees constitute the Plan.

15. COLLECTIVE BARGAINING AGREEMENTS. The United Association Local Union No. 725 of Miami, Florida has executed a Collective Bargaining Agreement requiring Employers to make contributions into the Fund. Copies of this Agreement may be secured from the Union at the address listed below:

United Association Local Union No. 725
13185 N.W. 45th Avenue
Opa Locka, Florida 33054

16. TERMINATION OF THE PLAN. It is the intention of the Union and the Employers that this Plan shall be continued indefinitely. If the Plan were to be terminated by the Trustees the assets of the Trust Fund, after the payment of all expenses would be used to provide benefits for eligible participants until exhausted.

17. THE FUND CONTRACT ADMINISTRATOR.
Core Management Resources
P.O. Box 840
Macon, Georgia 31202
(478) 741-3521 or (888) 741-2673

18. THE FUND AUDITOR.
Steven I. Gordon
4600 W. Commercial Blvd. Ste 5
Tamarac, FL 33319

19. THE FUND LEGAL COUNSEL.
Michael R. Storace, Esquire
4800 LeJeune Rd.
Coral Fables, FL 33146

20. THE FUND CONSULTANT
Core Management Resources
P.O. Box 840
Macon, GA 31202

21. THE FUND'S INVESTMENT MANAGER. Those funds not immediately needed to pay benefits and expenses are invested by a professional investment manager. The performance of the Investment Manager is monitored by Pension Fund Evaluations, Inc.

22. PROCEDURES FOR FILING CLAIMS: Your trustees have attempted to provide you with prompt and efficient Claim Service. By following the steps shown below when filing a claim, prompt service will be assured.

Secure a claim form from your Administrator (address shown below).

Complete your portion of the form by filling in all information requested and signing your name on the line specified.

Forward your completed form, with all itemized bills attached to:

Core Management Resources
P.O. Box 840
Macon, Georgia 31202

23. CLAIM REVIEW AND CLAIM APPEAL PROCEDURES.

a. If a claim is denied or partly denied, you will be notified in writing and given the opportunity for a review.

b. The written denial will give:

(1) Specific reason(s) for denial.

(2) A description of any additional material or information necessary to perfect the claim and the reason why such material or information is needed.

(3) An explanation of the Plan's Claim Review Procedure.

c. If your claim is not acted on within a reasonable time, you may proceed to the appeal procedure state, described in paragraph "d" below, as if the claim had been denied.

d. Appeal Procedure:

(1) Where a claim has been denied or partly denied after review, you may appeal the denial and have a review,

(2) Within sixty (60) days after you receive written notice your claim has been denied, you or your representative may make a written request for review to the Board of Trustees in care of:

Core Management Resources
P.O. Box 840
Macon, GA 31202

The written request for review must briefly describe the grounds on which the request for review is sought.

(3) You may review pertinent documents relating to the denial and you may submit issues and comments in writing.

e. Decision of Appeal: A decision will be made promptly and delivered to you by the Board of Trustees not later than sixty (60) days [one hundred twenty (120) days in special circumstances which require additional time] after receipt of your request for appeal. The decision on appeal will be in writing and will include specific reasons for the decision.

f. Exhaustion of claims review and approved procedure. No action in law or in equity shall be brought to contest a denial, suspension or termination of benefits until the claimant has complied with the review and approved procedures, unless the Board of Trustees fails to rendered a deoxidation within 120 days after receipt of the Notice of Appeal. In no case, however, shall any action be brought unless instituted within one (1) year from the time the claimant received notice of denial, suspension or termination.

24. RELIANCE ON THIS DOCUMENT.

Although every effort has been made to accurately describe the Plan, this document is merely a summary of the Plan Document provisions. It attempts to explain the provision in brief, simple language, in order to make it as understandable

as possible. Nonetheless, the terms and provisions of the Plan Documents prevail over this document. There are a number of definitions and provisions of the Plan Documents which are not included in this document. Moreover, certain of the provisions in this document are merely summaries of extensive, specific, and detailed provisions of the Plan Documents. Therefore, in case of any discrepancy, inconsistency, ambiguity or vagueness between this Summary Plan Description and the actual Plan Documents, the terms and provisions of the Plan Documents shall prevail. Your right to obtain information regarding the Plan Documents is contained in Section XXI.

25. RELIANCE ON COMMUNICATION FROM THE PLAN. Pursuant to certain Federal Court decisions, any errors contained in any written or oral notice, statement or other communication from the Defined Contribution Retirement Trust Fund to any party whatsoever which errors do not involve questions of plausible interruption of Plan provisions are not binding on the Plan. Matters which do not involve question of reasonable interpretation of Plan provisions include facts of which the party receiving the communication has knowledge or should have knowledge (including but not limited to their age, marital status, health, or that of any spouse or dependent), mathematical calculations (including but not limited to reported hours worked, contributions received, mathematical errors in benefit calculation, etc.) or matters which contradict the clear and unequivocal terms of the Plan. See e.g. *Law v. Ernst and Young*, 956 F.2d (1st Cir., 1992).

26. AMENDMENT OF THE PLAN: The Trustees reserve the right to alter the Plan and benefits and any rules and regulations of this Plan at any time in accordance with the terms of the agreement and declaration of trust. Such amendments and alterations include, without limitation the right to eliminate totally and/or reduce any benefits, rights, Elections or other privileges or prerogatives of any beneficiary under this plan, unless such termination and/or reduction is specifically prohibited by law.

