PENSION BENEFITS

TEAMSTERS LOCAL 786

BUILDING MATERIAL PENSION PLAN

SUMMARY PLAN DESCRIPTION

EFFECTIVE SEPTEMBER 1, 2025

Teamsters Local Union 786
Building Material Pension Fund

300 South Ashland Avenue, Suite 500
Chicago, Illinois 60607
(312) 666-1875
www.teamsters786benefits.com

DEAR PARTICIPANT AND/OR BENEFICIARY:

To All Participants and/or Beneficiaries:

The Trustees are pleased to provide this updated summary plan description ("SPD"), which describes your pension benefits under the Pension Plan of Local Union 786 Building Material Pension Fund (the "Plan" or "Pension Plan") as of September 1, 2024. The terms of prior SPDs may apply for purposes of calculating benefits, accruals, pension credits and/or vesting credits in prior years, especially if you retired prior to September 1, 2024. We urge you to read this booklet carefully, and to share it with your spouse if you are married.

Your retirement can be a time of opportunity. Now is the time to plan carefully, to ensure that your financial needs at retirement will be met. Your pension plan, your personal savings, and social security are the three main sources of your retirement income. This booklet can help you understand what benefits you can expect from your Pension Plan, so that you can plan for your future.

Since it was established in 1961, the Pension Plan has continued to increase the protection offered to participants. The maximum monthly pension has increased from $50 per month in 1961 to $4,160 per month as of September 1, 2023 and a current, Temporary Lump Sum Benefit of $3,000 per full pension credit (provided you meet certain requirements as described below). As the Plan Trustees, we intend to continue to improve and extend the coverage as the financial stability of the Plan allows.

The Trustees are committed to providing you with the highest pension benefits possible, while maintaining the financial stability that has allowed the Plan to grow and prosper. We believe this goal is being met. As the Trustees of your Plan, we extend our appreciation to those who have contributed to the success of this Plan.

Sincerely,

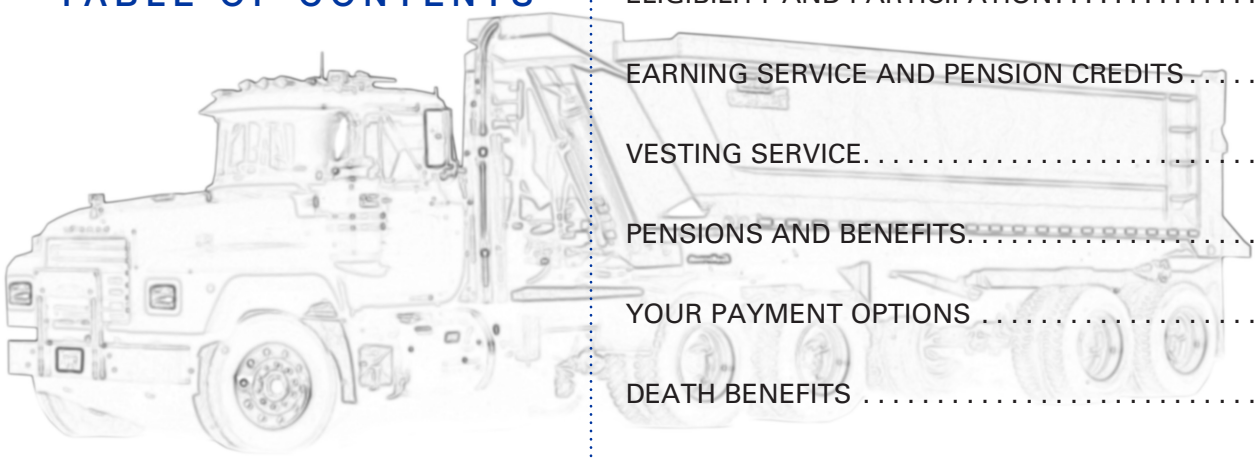
The Board of Trustees

Employee Trustees	**Management Trustees**
Edward Rizzo	Steven Warnke, Chairman
James Goddard	Kevin Jarchow
Brandon Snow	Jeff Ozinga
Bryant Smith	Dave Mashek

This booklet is intended to provide a summary of the Pension Plan. The actual Plan provisions may be found in the Plan's legal document. If there is any inconsistency between the wording in this booklet and the Plan's legal document, the legal document shall govern.

The Board of Trustees in its discretion will make all final determinations on questions of eligibility and any other provisions or interpretations of the Plan. The Board of Trustees reserves the right to change or terminate the Plan at any time. When the terms of this SPD are materially affected by an amendment to the Plan, you will be notified.

TABLE OF CONTENTS



YOUR PENSION AT A GLANCE 2

ELIGIBILITY AND PARTICIPATION 5

EARNING SERVICE AND PENSION CREDITS 7

VESTING SERVICE 8

PENSIONS AND BENEFITS 10

YOUR PAYMENT OPTIONS 13

DEATH BENEFITS 17

RECIPROCAL PENSIONS 18

BENEFIT DENIAL AND APPEAL PROCEDURE 19

SOME OTHER THINGS TO KNOW 21

RIGHTS UNDER ERISA 23

INSURANCE PROVIDED BY THE PENSION BENEFIT GUARANTY CORPORATION 25

GENERAL INFORMATION 26

The Plan pays different types of benefits depending on your age and service.

Your Pension at a Glance

Eligibility and Participation

Your participation starts on the September 1 or March 1 after you complete at least 10 weeks of Covered Employment (employment for which your employer contributes to the Local 786 Pension Fund) in any 12-consecutive month period.

Covered Employment

Generally, the hours that you work for an employer that is party to a collective bargaining agreement with Local 786 or other agreement that requires pension contributions to the Fund on the basis of your work performed. Certain exceptions may apply if you are an owner-operator.

Contributions

Your benefit is funded by contributions from your employer that are required by your collective bargaining agreement or other agreement. You may not make contributions to the Plan.

When You Can Retire

Following are the general requirements for the different pensions offered by the Plan. For a complete description of the eligibility requirements for each type of pension, see the section entitled Qualifying for a Pension. For the definitions of pension credits and years of vesting service, see the Earning Service and Pension Credits section.

Regular Pension

Age 62 or more with 15 or more Pension Credits (not to exceed 40) and has retired from working in Covered Employment.

Special 30 and Out Pension for those who work in Covered Employment on or after January 1, 1999

You will be eligible for a special 30 and out benefit at any age if you have 30 or more pension credits (with this Plan alone) and worked in Covered Employment on or after January 1, 1999. Your monthly benefit will be the Regular Pension accrued. However, for those who retire before age 62 with more than 30 Pension Credits, the Pension Credits in excess of 30 will be reduced in accordance with the table of Early Retirement Factors as shown on page 10.

Early Retirement Pension

Age 55 or more with at least 15 or more Pension Credits (not to exceed 40).

Deferred Pensions

After acquiring 5 years of vesting service or 10 years of Pension Credit.

- Basic Deferred (for those with less than 10 pension credits, but with a minimum of 5 years of vesting service). Benefit will commence at participant's attainment of age 65.
- Special Deferred (for those with 10 or more pension credits). Monthly benefit will be the Regular Pension, payable as early as age 55, reduced for early commencement if you elect to commence your benefit before age 62.

Disability Pension

You retire from Covered Employment after becoming totally and permanently disabled at any age provided you have at least 10 pension credits and have earned at least one Pension Credit during the current contribution period and worked in Covered Employment for at least 10 weeks during the 52-week period preceding the date the total and permanent disability arose.

You are considered "totally and permanently" disabled if you suffer a physical or mental condition that occurs while you are in Covered Employment that causes you to qualify for permanent disability benefits under the Social Security Act.

Temporary Supplemental Pension

If you retire at any age prior to age 65 after acquiring 30 Pension Credits based on covered employment under Local 786 Building Material Pension Fund. You must have been employed in Covered Employment on the last day of the Plan Year preceding the Plan Year you retire.

Temporary Supplemental Retirement Lump Sum Benefit

The Temporary Supplemental Retirement Lump Sum Benefit is an ancillary benefit that may be provided when you retire. The purpose of the Temporary Supplemental Retirement Lump Sum Benefit is to reward loyalty for your continuous covered employment. Each year, the Trustees decide whether to renew the benefit and will notify Participants of any changes to the benefit. This benefit is further explained on pages 11-12.

Your Payment Options

Your pension is paid monthly for as long as you live. The Plan offers several payment options. You can choose an option that pays benefits to you alone (if you are single or with your spouses written consent), or an option that continues benefits to your spouse or beneficiary when you die. See the section entitled Your Payment Options starting on page 13

Survivor Benefits

Following are the general requirements for the different survivor benefits offered by the plan.

Pre-Retirement

If at the time of your death in Covered Employment you were eligible for the immediate payment of a pension, your eligible surviving spouse will receive a pre-retirement 50% survivor's pension. The amount your spouse will receive is equal to the same amount that would have been paid to her if you had retired on the day before your death, i.e., 50% of the Participant's adjusted monthly amount. The Participant's monthly amount shall be a percentage of the full monthly amount otherwise payable as a single-life Pension (after adjustment for early retirement). The percentage is found by multiplying the Participant's monthly amount by the appropriate 50% Spousal Factor (as listed on page 14 of this SPD).

If at the time of your death while in Covered Employment you were not eligible for immediate payment of a benefit, but you had 5 years or more years of vesting service, your eligible surviving spouse would be eligible to receive a pre-retirement 50% survivor pension. The amount payable to your surviving spouse would be 50% of the reduced pension that would have been payable, i.e. 50% of the Participant's adjusted monthly amount. The Participant's monthly amount shall be a percentage of the full monthly amount otherwise payable as a single-life Pension (after adjustment for early retirement). The percentage is found by multiplying the Participant's monthly amount by the appropriate 50% Spousal Factor (as listed on page 14 of this SPD). The amount will be determined as of the earlier of the following: the date last worked in covered employment or the date of death. This amount will be payable at the earliest time that you would have been eligible to commence benefit payments and will be payable for your spouse's lifetime.

Post-Retirement

If you are a married pensioner with at least 15 Pension Credits and your pension is payable as a single life annuity, 60 payments will be guaranteed to be paid on your behalf. If your death occurs prior to receiving 60 monthly payments, the payments would continue to be made to your spouse, as long as he/she remains living, until the total number of payments to you and your spouse combined equal 60.

Special Death Benefit

Your surviving dependent children under age 19 may be eligible for 50% of the accrued benefit if:

- you are unmarried or no surviving spouse benefits are payable
- you had 15 or more Pension Credits; and
- at the time of death, you were working in Covered Employment and worked at least 10 weeks in either the Plan Year in which death occurred or in the preceding Plan Year.

Once you qualify, participation starts automatically. You don't need to enroll.

Eligibility and Participation

You're eligible if your employer contributes to the Plan on your behalf. Participation generally begins on the March 1 or September 1 after you complete the first 12 consecutive month period of employment in which you work at least 10 weeks in Covered Employment.

What is the requirement for becoming a participant and when do I become a Participant?

You will become a participant in the Plan on the earliest March 1 or September 1 following completion of:

- a 12 consecutive month period during which you work at least 10 weeks in Covered Employment or
- 12 consecutive month period during which you work at least 10 weeks in non-Covered Employment and then transfer to continuous Covered Employment with the same employer.

What is a Week of Work?

A Week of Work is any week for which a contribution is made or required to be made on your behalf.

Who is Eligible?

You are eligible for this Plan if the terms of your collective bargaining agreement or other agreement require your employer to make contributions to the Local 786 Pension Fund on your behalf. Work for which your employer must make contributions is called Covered Employment.

The following employees are also eligible to participate in this Plan if their employers contribute to the Fund on their behalf:

- Employees of the Union;
- Employees of the Trust Fund of the Local Union 786 Building Material Pension Fund;
- Employees of the Trust Fund of the Local Union 786 Building Material Chauffeurs, Teamsters and Helpers Union Welfare Fund of Chicago.

What is an Hour of Work?

You will be credited with an hour of Work for each hour that you are paid or entitled to payment for duties performed for your Employer, and any back pay which is awarded to you or agreed to by your Employer.

NOTE: Any hours of Work in non-Covered Employment that are continuous (not separated by a quit or discharge) with your Covered Employment will be considered in determining when you will become a Participant. However, such time will not be considered for benefit accrual purposes.

When will I no longer be considered a Participant?

Your participation in the Plan will end on August 31 of any Plan Year in which you incur a One-Year Break in Service. This rule only applies to those Participants who terminate Covered Employment and are not eligible for any type of Pension and/or in determining rights to

any Temporary Supplemental Lump Sum Benefit. A One-Year Break in Service happens during a Plan Year when you do not Work in Covered Employment for at least 435 Hours.

Those who terminate and are eligible for a Pension (including a Deferred Vested Pension) will always be considered a Participant.

EXAMPLE:

Suppose you are a Participant in the Plan and have the following hours of Work:

Plan Year	Weeks of Work	Hours of Work
9/1/2020 to 8/31/2021	40	1,800
9/1/2021 to 8/31/2022	42	1,890
9/1/2022 to 8/31/2023	11	495
9/1/2023 to 8/31/2024	4	180

Since you did not complete at least 435 hours of Work in the 2023 Plan Year and are not eligible for any Pension under the Plan, you would no longer be considered a Participant on August 31, 2024, since 2023 is the Plan Year that you incurred a One-Year Break in Service.

Note: Each Week of Work you are credited with is equivalent to 45 hours of Work.

If I lose my Participation in the Plan how and when do I again become a Participant?

You will become a Participant in the Plan if you again satisfy the participation requirement. If you do so prior to incurring a "Permanent Break in Service," a One-Year Break in Service can be repaired. You will incur a Permanent Break in Service and forfeit any previously accumulated years of vesting service and Pension Credits if you have 5 consecutive One-Year Breaks in Service prior to accruing 5 years of vesting service.

Who pays?

The full cost of the Plan is paid by the Employers. Your Union dues are not used to provide benefits. The Employers' contributions are paid in accordance with collective bargaining agreements with the Union, and other Employers, which provides the contributions to the Trust Fund.

Your employer pays all plan costs.

You pay nothing.

You earn one Pension Credit for each Plan Year you work at least 36 weeks. Partial Pension Credits also may be accrued if you engage in at least 10 weeks of Covered Employment in a Plan Year.

Earning Service and Pension Credits

Your eligibility to receive a pension is based on your Pension Credits or vesting service. The amount of your pension is based on your Pension Credits.

PENSION CREDIT

How are Pension Credits used?

Pension Credit is used in determining the amount of Pension that you may be entitled to and also eligibility for Pensions. Up to 40 Pension Credits can be used for this purpose.

What is the difference between Pension Credit and Vesting Service?

Vesting service is used only in determining your eligibility for a Deferred Pension. Pension Credit is used in determining the amount of Pension that you may be entitled to.

How do I receive Pension Credit?

You receive Pension Credit based on the weeks of covered employment that you complete during each Plan Year, September 1 to August 31, as shown in the tables below:

- Covered Employment before September 1, 1976:

Number of Weeks of Covered Employment in a Plan Year	Pension Credits
Less than 10 weeks	None
10 to 18 weeks	1/4 credit
19 to 26 weeks	1/2 credit
27 to 35 weeks	3/4 credit
36 weeks or more	1 credit

Can I receive Pension Credit for non-Work periods?

You may be eligible to earn Pension Credits while you are disabled or in the military. Contact the Fund Office for more information.

You earn a year of vesting service for each Plan Year you work at least 870 hours.

Important!

You can lose the Pension Credits and vesting service you've earned if you have a Break in Service.

Vesting Service

Below are some questions and answers that explain what vesting service is and how you receive it

What is the importance of "Years of Vesting Service"?

Your number of years of vesting service determines whether or not you are eligible for a Pension and also may determine when a Deferred Pension may be payable.

How many "Years of Vesting Service" do I need in order to get a Pension?

Generally, you need 5 Years of Vesting Service in order to receive any Pension. If you have any questions contact the Fund Office.

Note: Years of Vesting Service only determine your eligibility for a Pension and not the amount of your Pension. The amount of your Pension is based on your Pension Credits.

How do I receive a "Year of Vesting Service"?

A year of vesting service is earned in any Plan Year that an Employee has worked in Covered Employment, and whose Employer(s) has reported and paid, for 870 hours or more. You are credited with 45 hours of service for every week that a contribution is required to be made on your behalf by your employer.

Can I ever lose my Vesting Service?

Yes. If you ever incur a Permanent Break in Service before you have earned a right to a pension, you lose all your years of vesting service that you earned prior to your Permanent Break in Service (see below for explanation of Break in Service).

BREAK IN SERVICE

A Break in Service occurs when your employment is interrupted before you are vested. You can lose your pension credits and vesting service you have earned if you have a Permanent Break in Service.

Below are some questions and answers which will explain what a Break in Service is and how you incur it.

What happens if I suffer a Break in Service?

You lose all your prior Pension Credits and all your prior vesting service.

Why does the Plan have a Break in Service rule?

The purpose of the Plan is to provide the highest possible pension to those employees who work continuously in Covered Employment. If the Plan did not have the Break in Service rule, Pensions would be lower for everyone.

What are the Break in Service rules?

The rules regarding Breaks in Service are different prior to August 31, 1976, contact the Fund Office for this information.

Some breaks in service are temporary and some are permanent. On and after August 31, 1976, you will be subject to the following Break in Service rules:

You suffer a One-Year Break in Service if you do not complete at least 435 hours of covered employment during a Plan Year, September 1 to August 31. To determine if you have a break, you are credited with 45 hours of service for each week that your employer makes a contribution on your behalf. You also are credited for work with the same employer that immediately precedes or follows Covered Employment.

After August 31, 1986, you have a permanent Break in Service if you incur 5 consecutive one-year Breaks in Service prior to accruing 5 years of vesting service you have earned.

What is a Grace Period?

Under certain circumstances, it is recognized that you should not suffer a Break in Service:

- For total and permanent disability, you are allowed a Grace Period of one Plan Year;
- For Military Service, you are granted a Grace Period for the entire time you served in the military provided you returned to covered employment within 90 days of discharge; and
- For Pregnancy (both maternity and paternity leave), you would be credited with a maximum of 435 hours.

Pensions and Benefits

Your eligibility for a pension is determined by your age, the Pension Credits you have earned, and, in the case of a deferred basic pension, your years of vesting service.

Regular Pension

Age 62 or more with 15 or more Pension Credits and worked in Covered Employment for at least 10 weeks in a Plan Year after attainment of age 53.

The amount of your pension benefit is calculated by multiplying your years of Pension Credits (up to 40) by the accrual rate in effect at the time of your separation from Covered Employment. Effective September 1, 2023, your monthly pension amount is equal to $104 multiplied by years of Pension Credits (up to $4,160 with a maximum of 40 or more years of Pension Credit).

Special 30 and Out Pension

You will be eligible for a special 30 and out benefit at any age if you have 30 or more Pension Credits (with this Plan alone) and you work in Covered Employment on or after January 1, 1999. Your monthly benefit will be the Regular Pension accrued. However, please note, for those who retire before age 62 with more than 30 Pension Credits, the Pension Credits in excess of 30 will be reduced in accordance with the table of Early Retirement Factors as shown below.

Early Retirement Pension

Age 55 or more with 15 or more Pension Credits (not to exceed 40) and has worked in Covered Employment for at least 10 weeks in a Plan Year after attainment of age 53.

Monthly benefit will be the Regular Pension, payable at age 62. If payment is elected prior to attainment of age 62, it will be reduced for early commencement. Reduction is 1/4 of 1% for each full month (3% for each year) you are less than age 62.

Reduction table as follows:

Your Age When Payments Begin	Reduction Factor
61	97%
60	94%
59	91%
58	88%
57	85%
56	82%
55	79%

You can earn Pension Credits while you're disabled or in the military.

Deferred Pensions

Any age after acquiring 5 years of vesting service or 10 years of Pension Credit.

Basic Deferred (for those with less than 10 Pension Credits but with a minimum of 5 Years of Vesting service.

Monthly benefit will be calculated using the benefit accrual rate in effect at the time of termination multiplied by Pension Credit (not to exceed 40). Effective September 1, 2023, the benefit accrual rate is $104.

- Benefit payments will commence upon your attainment of age 65.

Special Deferred (for those with 10 or more pension credits).

Monthly benefit will be the Regular Pension, payable at age 62. If elected, payment may be made upon attainment of age 55, reduced for early commencement. Reduction will be ¼ of 1% for each full month you are less than age 62.

Disability Pension

A Disability Pension benefit is available if you become totally and permanently disabled at any age with at least 10 or more years of pension credits and worked in Covered Employment for at least 10 weeks during the 52-week period preceding the date the total and permanent disability began. The monthly benefit will be the Regular Pension accrued.

You will be considered permanently and totally disabled if you suffer a physical or mental condition that occurs while you are in Covered Employment that causes you to qualify for permanent disability benefits under the Social Security Act.

Your Disability Pension will cease if you cease to qualify for permanent disability benefits under the Social Security Act.

Temporary Supplemental Pension Monthly Benefit

A Temporary Supplemental Pension benefit may be available if you retire prior to attainment of age 65 with 30 or more Pension Credits based on covered employment under Local 786 Building Material Pension Fund.

Amount of monthly benefit will be $600.00 payable for 60 months or until your attainment of age 65, whichever comes first. If you die before all payments are made, payments will continue to an eligible spouse for the remaining period. Benefits will end if your spouse reaches age 65 or dies before the end of the maximum period.

This benefit is payable in addition to your pension benefit.

Temporary Supplemental Retirement Lump Sum Benefit

A Temporary Supplemental Retirement Lump Sum benefit may be available if you:

1. Qualify for and begin receiving a Regular Pension, Early Retirement Pension, Disability Pension, Special Deferred Pension, or 30 and Out Pension effective on or after September 1, 2000;
2. Have earned at least fifteen (15) continuous Pension Credits under the Plan (deferred Pension Credits earned prior to a One-Year Break

in Service and Pension Credits earned under Reciprocal Plans will not be considered);

3. Have not already received a Temporary Supplemental Lump Sum Benefit from the Plan unless you meet the continuous fifteen (15) Pension Credit requirement a second time independent of your first award;
4. Have not previously been approved for pension benefits under the Plan and received payment of a benefit under the Plan (you can't retire, then come back to Covered Work and earn a Temporary Supplemental Lump Sum Benefit); and
5. You are only entitled to one Temporary Supplemental Lump Sum Benefit unless you meet the above requirements a second time after incurring any One-Year Break in Service.

The amount of the benefit is determined as follows:

1. $1000 provided you were in Covered Employment and earned at least one hour of Work on or after September 1, 2000, and your last hour of Work in the continuous stream of Pension Credits necessary to be eligible for the Temporary Lump Sum Benefit was earned before September 1, 2005;
2. $1,100 provided you were in Covered Employment and earned at least one hour of Work on or after September 1, 2005, and your last hour of Work in the continuous stream of Pension Credits necessary to be eligible for the Temporary Lump Sum Benefit was earned before September 1, 2023;
3. $3,000 provided you were in Covered Employment and earned at least one hour of Work on or after September 1, 2023, and your last hour of Work in the continuous stream of Pension Credits necessary to be eligible for the Temporary Lump Sum Benefit was earned on or after September 1, 2023.

Note: If you incur a One-Year Break in Service prior to the effective date of the change to the Supplemental Benefit Amount, then the Supplemental Benefit Amount in effect prior to the One-Year Break in Service shall apply in determining your Temporary Supplemental Lump Sum Benefit unless you earn a second award by meeting the eligibility requirements a second time independent of the first award. If you subsequently earn fifteen (15) continuous Pension Credits from the date you return to Covered Employment after a One-Year Break in Service, then your Supplemental Benefit Amount will be the Supplemental Benefit Amount in effect as of your retirement date, but deferred Pension Credits earned prior to the last One-Year Break in Service will not be used in determining the amount of the Temporary Supplemental Lump Sum Benefit.

Responsibility of the Participant, Pensioner, Spouse and Beneficiary

It is your responsibility as a Participant, Pensioner, Spouse or Beneficiary to keep the Plan informed regarding your current residence, contact information and marital status. Failure to provide and/or update the Plan with accurate information may result in your benefit being delayed, terminated or forfeited.

Your Payment Options

You can choose how your benefit will be paid.

How are Retirement Benefits paid?

The Plan provides standard and optional payment methods.

In general, the standard payment method in effect for you depends on your marital status.

- If you're married, your standard payment method is the 50% Spousal method.
- If you're single, your standard payment method is the Single Life method.

If you want to choose an optional payment method instead of your standard form, you must reject your standard payment method in writing before it becomes effective. You must make this election during the 90-day period ending on the date your benefits will begin. Once your election has been in effect for 90 days, you may not change it, even if you have not yet begun to receive benefits.

If you're married and elect payment under any method other than your standard payment method, your spouse must consent to the change by signing the election form in the presence of a notary public or Fund representative.

If you are nearing retirement and you would like an estimate of the amount you would receive under the different payment methods, contact the Fund Office.

Standard Payment Methods

50% Joint and Survivor Method

If you are married and have an eligible spouse when you retire, your Pension will be paid in the form of a Spousal Pension, unless you and your spouse elect otherwise.

A Spousal Pension is a form of Pension in which the Pension you are eligible for is reduced during your lifetime. This reduced Pension is paid to you for as long as you live after retirement. Upon your death, 50% of your reduced Pension is paid to your surviving spouse. The payment to your surviving spouse is made for a long as your spouse lives.

In general, your surivving spouse's benefit is 50% of the pension that had been payable to you.

Amount of Pension

The amount of a reduced Pension paid to you as a 50% Spousal Pension is determined by a formula adopted by the Trustees. This formula gives consideration to your age when your Pension starts and also to the age of your spouse.

The formula adopted by the Trustees is based on actuarial tables and may be changed by the formula in effect as of the date your Pension starts.

The following Table is in effect at the present time for 50% Spousal Pensions. If you are unable to use this Table or if the appropriate factor is not on the Table, the information will be furnished by the Fund Office upon your request.

Table - 50% Spousal Factors

Age of Spouse Compared to Employee	50% Spousal factor
2 years older	94.4%
1 year older	94.2%
Same age	94.0%
1 year younger	93.8%
2 years younger	93.6%
3 years younger	93.4%
4 years younger	93.2%

Note: Age differential is net difference between the number of full years the Participant's nearest age and spouse's nearest age are different. These figures are subject to change. Please contact the Fund Office for the most current figures.

EXAMPLE:

A participant retires effective October 1, 2023, when he is age 59 and 6 months and his spouse is age 56 and 5 months. The participant's nearest age is 60 and the spouse's nearest age is 56; hence, the spouse is 4 years younger, and the 50% Spousal factor is 93.2% for this example.

Remember:

You may elect to not have payments continued to your spouse. You may make such an election within the 90-day period before your retirement. Your spouse must consent in writing to the waiver of the Spousal Pension, and the written consent must be notarized or witnessed by a Plan Representative. If the Spousal Pension is waived, there will be no adjustment in your monthly payments.

EXAMPLE:

Suppose you are age 63 and retire as of November 1, 2023, and are eligible for a Regular Pension of $2,496 a month. Suppose you have a spouse age 61.

If your Regular Pension of $2,496.00 a month is a 50% Spousal Pension, it will be paid as follows:

- From the Table above the reduced pension factor for an employee age 63 with a spouse 2 years younger is 93.6%. Therefore, you would receive a monthly Pension of $2,336.25 ($2,496.00 x 93.6%), rounded

to $2,336.00 and your surviving spouse at your death would receive a monthly Pension of $1,168.13 ($2,336.25 x 50%), rounded to $1,168.00.

If your spouse dies while you are receiving the Spousal Pension, your Pension will not be increased. If you and your spouse elect not to take the Spousal Pension, you will receive a Pension of $2,496.00 per month for your life and no additional benefits if your spouse survives you. Note, your spouse must consent to taking a single life annuity in writing to elect this option.

What if my spouse dies after my Pension begins and my Pension is being paid out as a Spousal Pension?

If your spouse dies before you but after your Pension begins, the Spousal Pension form cannot be changed. You will continue to receive the adjusted benefit amount and, upon your death, no further payments will be made. However, if the normal form of payments were originally waived and an election was made by you and your spouse to receive either the 50%, 75% or 100% Spousal Pop-Up, then your payment would revert to the original amount prior to any reduction for Spousal Pension. See below for more details.

What if my spouse and I divorce after my Pension begins?

If your ex-spouse was married to you, he or she would still be eligible to receive the Survivor Pension at your death.

Also, determination for your spouse's rights to pension benefits may be governed by a Qualified Domestic Relations Order (QDRO) entered by the court. Contact the Fund Office for further details.

Can I receive a Lump Sum Payment of my benefit?

Generally, lump sum payments are not available; however, if the total value of the benefit you have earned is less than $1,000, the Plan may pay the entire benefit in the form of a lump sum. Once this lump sum payment is made on your behalf, then the fund will have no further benefit obligations on your behalf. Note: any lump sum benefit made is eligible for a direct rollover to another qualified retirement plan or to an individual retirement account (IRA).

Single Life Method

This is the standard payment method if you are single and may be chosen as an option if you are married. The benefit is paid monthly for your lifetime.

Post-Retirement Death Benefit

If you are married, have at least 15 Pension Credits, and elect to receive your pension under the Single Life method, 60 payments are guaranteed to your eligible surviving spouse. This means that if you die before receiving these 60 monthly payments, the remaining payments will be made to your spouse, as long as he or she survives.

Important!

Once your pension begins, you cannot change the form of payment. This is true even if your spouse dies, you return to work, or you become divorced.

Optional Payment Methods

Instead of the standard methods described above, you may elect one of these optional payment methods.

100% Joint and Survivor Payment Method

This payment method duplicates the 50% Spousal method described earlier, except that 100% of your adjusted benefit is paid each month for your surviving spouse's lifetime. That means that your pension benefit is further adjusted downward to provide this added income for your spouse.

Pop-Up Payment Method

For either the 50%, 75% or the 100% pop-up methods, you may elect the "pop-up" feature. With the pop-up, your initial benefit payments are slightly lower, but should your spouse die first, your benefit payments will revert to the level they would have been if you had elected the Single Life payment method.

Five-Year Certain and Life Method

Under this method, the Plan pays monthly benefits for whichever is the longer period of time: your lifetime or a guaranteed period of 5 years (60 months). If you die after the end of the guaranteed period, benefits stop at your death. If you die before the end of the guaranteed period, benefits continue to your beneficiary for the rest of the guaranteed period.

Your monthly benefit is reduced to "pay" for the guaranteed period.

Your beneficiary can be anyone you choose; however, your spouse must consent in writing if you are married and name someone other than your spouse as your beneficiary. Also, note that if you are married and elect a single life annuity and die prior to receiving 60 monthly payments, the Plan guarantees that your spouse gets the remaining portion of 60 monthly payments. In other words, if you plan to name your spouse as a beneficiary, elect the single life annuity instead (which your spouse will need to consent to).

Ten-Year Certain and Life Method

Under this method, the Plan pays monthly benefits for whichever is the longer period of time: your lifetime or a guaranteed period of 10 years (120 months). If you die after the end of the guaranteed period, benefits stop at your death. If you die before the end of the guaranteed period, benefits continue to your beneficiary for the rest of the guaranteed period.

Your monthly benefit is reduced to "pay" for the guaranteed period.

Your beneficiary can be anyone you choose; however, your spouse must consent in writing if you are married and name someone other than your spouse as your beneficiary.

Pre-retirement surviving spouse benefits may be payable to your divorced spouse if required under a qualified domestic relations order.

Death Benefits

Two types of survivor benefits are available under the Plan in the event of your death. One protects your eligible spouse, the other protects surviving dependent children.

PRE-RETIREMENT SURVIVING SPOUSE BENEFIT

If you have completed at least 5 years of vesting service and you die before retiring, your eligible spouse would be entitled to a benefit to begin on the earliest date that you could have elected to begin to receive your retirement benefit. This benefit would provide your spouse for life with 50% of the reduced payments you would have received under the 50% Spousal Pension based on your retirement benefit accrued to the date of your death.

If you are eligible for the immediate payment of a pension and you should die before your actual retirement, your spouse will be provided with a benefit to begin on the first day of the month following the date of your death. This benefit would provide your spouse for life with 50% of the adjusted payments you would have received if you had retired on the date of your death with the 50% Spousal Pension in effect.

An eligible spouse is one who is married to the Participant under the laws of the jurisdiction in which the marriage was entered into, consistent with applicable U.S. federal law.

Your spouse may defer the start of payments to a later date. However, payments must begin by the first of the month when you would have reached your Applicable Age.

DEATH BENEFIT FOR DEPENDENT CHILDREN

If you are a participant in the Plan and die in covered employment (actively engaged in the trade), worked at least 10 weeks in covered employment during the Plan Year in which your death occurred (or the preceding year), have at least 15 Pension Credits; and are unmarried or no surviving spouse benefit is payable, then your surviving dependent children under age 19 will be eligible for a death benefit as follows:

50% of the regular pension you would have received based on your pension credits earned on the date of your death.

Death Benefit Payments to Dependent Children

Participant's Pension Credits	Monthly Payments	Participant's Pension Credits	Monthly Payments
15	20	20	40
16	24	21	44
17	28	22	48
18	32	23	52
19	36	24	56
		25 or more	60

If you have Pension Credits from two or more reciprocal plans, you may be able to combine credits to receive a pension.

Reciprocal Pensions

You may be eligible for a reciprocal pension if you worked for two or more employers who contribute to different but reciprocal plans.

Can coverage under other recognized plans benefit me?

Yes. If you are eligible for a regular, early or disability pension except that your years of employment are divided between employers who contributed to different but "reciprocal plans".

What are the eligibility requirements for a Reciprocal Pension?

You may be eligible for a Reciprocal Pension if your Joint Service Credits are treated as Pension Credits under each plan, you would not satisfy benefit requirements from either plan if not for this reciprocal agreement, and you have earned at least 1/2 of a service credit from this Plan or from a reciprocal plan.

How is a Reciprocal Pension calculated?

Your benefit will be calculated on your total Joint Service Credits, which are Pension Credits you earn under this Plan plus any reciprocal service credits you earn. Note: For any calendar year, in no event can you be credited with more than one Joint Service Credit for any calendar year.

Your regular pension from this Plan is calculated using your Joint Service Credits and the benefit rate from this Plan in effect when you left covered service from this fund. This amount is then multiplied by a fraction determined as follows: your Pension Credits earned under this Plan (limited to 40) divided by your total Joint Service Credits. This amount is then reduced for early retirement or for any payment method chosen, when applicable. Simplified as follows:

Regular Pension (amount in effect upon termination from Local 786 Building Fund) multiplied by (Pension Credits from Local 786 Building Fund / Total Joint Service Credits) multiplied by any reduction for early benefits and/or payment method.

What are Reciprocal Service Credits?

Reciprocal Service Credits are Pension Credits that are accumulated and credited under the provisions of an official reciprocal plan.

As a general matter, your Pension Credits and your attainment of vested status are based solely on service under the Fund, and not on Reciprocal Service Credits.

Benefit Denial and Appeal Procedure

Will I be notified if my application for benefits is denied?

If any application for benefits is denied, you will receive a written notice giving a specific reason for the denial and explaining how you can appeal the initial determination. This notice will also contain a specific reference to certain provisions on which denial was based. You will also be told if any additional information should be furnished to permit further consideration of your application and why such material or information is necessary.

Normally, your application for benefits will be acted on within 90 days of its receipt. If this time period cannot be met, you will be so informed in writing. The Trustees may take, at their option if needed, an additional 90 days to process your application provided you are notified in advance. If these time periods are not adhered to, you may assume your application was denied.

Can I appeal to the Trustees any denial of benefits?

If you believe that your application for benefits was improperly denied, you may file an appeal with the Trustees.

What is the procedure for appealing any denial of benefits?

If you decide to appeal the denial of benefits, you must file a written appeal with the Plan Administrator within 90 days of the notice denying your benefit request. Your written appeal must set forth the reason as to why your claim was wrongfully denied and must include documentation or other evidence supporting your position. These submissions must be attached to your written request. You may also request to address the Board of Trustees personally on this issue and may bring with you any witnesses to testify to any fact, which you believe the Board of Trustees should consider prior to deciding your appeal. You may also consult with or have a lawyer represent you at your own expense.

When the review of your appeal has been completed, you will be notified in writing of the action taken. If your appeal is denied, you will be provided a full description of the determination, including the specific reason(s) for the decision, a reference to the specific Plan provision(s) on which the determination was based, a statement of your right to access and receive copies of documents, records and other information that are relevant to the claim, and a statement of your right to sue the Plan under ERISA Section 502(a), including the Plan's contractual time limits for pursuing a lawsuit and the calendar date upon which such time limit expires.

Normally, you will be informed of the action on your appeal within 60 days of the date of your completed application or appeal hearing, whichever is later, unless an additional 60 days is needed, in which case you will be notified.

Once a final determination on your claim is made, either in writing or due to the expiration of the time period within which you must appeal such initial benefit determination, you may pursue your claim in a court of law. If you wish to do so, you may file suit in federal court based upon the record presented to the Trustees on appeal. Prior to filing suit, however, you must exhaust your administrative remedies by filing a timely and complete application for appeal with the Board of Trustees. Failure to do so will operate as a bar to your right to file a lawsuit against the Plan for a wrongful denial of benefits. In addition, any such claim must be initiated within 12 months from the date a final determination is made. Failure to initiate a claim within the 12-month period from the date a final determination is made shall bar you from bringing any such claim.

Some Other Things to Know

Can I borrow money from the Pension Fund? Can I take out the contributions made on my behalf by Employers?

No. The purpose of this Plan is to ensure that participants will receive their Pension benefit when they retire. Therefore, you cannot borrow money from the Plan, take out any money from the Pension Fund, sell, assign or pledge any amounts that have been contributed by the Employers to the Pension Fund on your behalf. The Pension Fund will not recognize any attachment or assignment of any contributions made on your behalf or of any benefits payable to you, except as required pursuant to a qualified domestic relations order.

Can the Pension Plan be amended?

Yes, the Trustees may amend the Pension Plan in their discretion at any time as they deem proper; provided that the Accrued Benefit of any Participant shall not be reduced retroactively by any amendment unless it is deemed necessary to establish or maintain the tax qualified status of the Plan or as otherwise permitted by law.

Can the Pension Plan be terminated?

It is the intent of the Trustees to continue the Pension Plan indefinitely; however, the right is reserved by the Trustees to terminate the Plan at any time, or the Plan may be terminated by the Pension Benefit Guaranty Corporation. Upon termination, the value of your Accrued Benefit, as of such termination date, shall to the extent of the assets then available, be nonforfeitable. Benefits will be distributed to you in any manner permitted by the Plan.

What happens if I return to work prior to commencement of my pension benefits?

If you separate from covered employment after qualifying for a pension and return to work at a later date, your separation date will remain the same until you work at least 10 weeks during a plan year. If you work 10 or more weeks, your separation date will be the date you stop working in Covered Employment that is followed by a plan year (September 1 through August 31) during which you work less than 10 weeks. Hence, this may affect the calculation of a previously determined benefit.

If benefit payments have commenced and I return to work in the business or trade what happens to my payments?

If you are working or return to work in the trade or business similar to that covered by the collective bargaining agreement for Teamsters Local 786 Building Material Pension Fund, your monthly benefits may be subject to suspension for each month you are employed in such prohibited employment. Suspension will depend on whether you have achieved Normal Retirement Age (age 65) when you reenter the workforce, the type of work you are performing and the area in which you are working.

If you are under age 65 and working or return to work in the trade or business similar to that covered by the collective bargaining agreement for Teamsters Local 786 Building Material Pension Fund, then your monthly benefits will be suspended in accordance with the following rules:

a. If you are working in "Disqualifying Employment" for 40 or more hours per month then your benefits will be suspended.

i. Disqualifying Employment means:

1. employment in the bargaining units described in the collective bargaining agreement or have provided/do provide for contributions to the Plan; or
2. employment by the Union or the Fund; or
3. self-employment in the same or related business as any Employer.

For purposes of the foregoing, there is no limit to the geographical area covered.

b. If you are working for any amount of time in "Totally Disqualifying Employment" then your benefits will be suspended.

i. Totally Disqualifying Employment means any employment not for a Contributing Employer that is:

1. In an industry covered by the Plan when the pension began;
   a. "industry covered by the Plan" means the Building Material Industry and any other industry in which Employees are covered by the Plan were employment when the pension began.
2. In the geographic area covered by the Plan when the pension began; and
   b. "geographic area covered by the Plan" means:
      i. Illinois and the metropolitan area which falls in part in Illinois (e.g., the Chicago metro area in Indiana) and any other area covered by the Plan when the pension began.
      ii. Any area covered by a reciprocal plan.
3. In any occupation in which the participant worked under the Plan at any time or any occupation covered by the Plan at the time the pension began.

If you are over age 65 and working or return to work in Totally Disqualifying Employment (as defined above) for 40 or more hours per month then your benefits will be suspended.

It is your responsibility to notify the Fund Office of any employment that may be considered "disqualifying employment". If you do not, your pension may be suspended to recover benefits paid that you were not entitled to receive. There may also be additional penalties imposed.

Please contact the Fund Office with any questions you may have about disqualifying employment.

Are there any circumstances when my benefit will not be suspended for such work in the trade or business after my retirement?

If you are under age 65, then you may work up to 39 hours per month for a Contributing Employer in the trade or business without any suspension or reduction in benefits.

If you are over age 65, then you may work as much as you want provided you may not work more than 39 hours per month in Totally Disqualifying Employment.

Once you reach age 72, you may work unlimited hours in the trade or business with no suspension or reduction in benefits.

However, if you work for a non-Contributing Employer in the trade or business of the Union, your benefits will be suspended during such period.

This booklet is provided for your convenience. You should note that if there is ever an inconsistency between the Plan's legal document and this booklet, the legal document will have the final say. The Plan document is available for your inspection from the Fund Office.

Can I be forced to take my Pension?

Yes. If you are eligible for a Pension Benefit, current laws under the Internal Revenue Code requires you to start receiving your Pension Benefit starting on the April 1st of the calendar year following the calendar year in which you attain the Applicable Age.

Your Applicable Age is defined as follows:

- For Participants born before July 1, 1949, the triggering age is 70-1/2.
- For Participants born on or after July 1, 1949, and before Jan. 1, 1951, the age is 72.
- For Participants born on or after Jan. 1, 1951, and before Jan. 1, 1960, the age is 73.
- For Participants born on or after Jan. 1, 1960, the age is 75.

Are there any special options if I elect to retire abroad?

Yes. If you permanently reside in a foreign country, then you may elect to receive your pension (or any remaining payments of such pension) in a single lump sum distribution that reflects the Actuarial Present Value of the benefit (or remaining benefit). If you are married and wish to exercise this option, your Spouse must also consent in writing to such distribution. Under this option, you shall receive your pension benefit in one lump sum cash payment and no other amounts shall be due to you under the Plan thereafter. Such lump sum option shall only be available to you if the Actuarial Present Value of your benefit (or remaining benefit) is equal to or less than $20,000 at the time the request is made and you can establish to the Fund's satisfaction proof of identity and residency.

Who has the authority to administer and interpret the Plan provisions?

The Trustees have discretionary authority to decide all matters concerning eligibility to participate, interpretation of Plan provisions, determination of benefits and all other questions that may arise during the operation of the Plan. Any such interpretation is to be upheld unless it is determined to be arbitrary or capricious.

Rights Under ERISA

As a Participant in the Pension Plan you have 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, 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 descriptions.
- Obtain copies of all Plan documents and other Plan information upon written request to the Plan Administrator. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each Participant with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age (age 65 or, if later, your age

on the fifth anniversary of your participation) 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 receive a right to a pension. 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. The Plan will provide this information to the extent it is able to, based on available records.

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 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 in whole or in part you must receive a written explanation of the reason for the denial. You have the right to have the Plan reviewed 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 $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order you may file suit in a federal court. If it should happen that the Plan fiduciaries misuse the Plan's money, or if you believe that you have been 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 lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous. If you are successful, the court may order the person you have sued to pay these costs and fees.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

Insurance Provided by the Pension Benefit Guaranty Corporation

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

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

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a participant's years of credited service multiplied by: 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33. The PBGC's maximum guarantee limit is $35.75 per month times a participant's years of service. For example, the maximum annual guarantee for a retiree with 30 years of service would be $12,870.

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

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

For more information about the PBGC and the benefits it guarantees, ask your plan administrator or contact the PBGC's Technical Assistance Division, 1200 K Street, N.W., Suite 930, Washington, D.C. 20005-4026 or call 800-400-7242. TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at http://www.pbgc.gov.

General Information

This section provides important information about the Plan and the people responsible for administering it.

Name of Pension Fund

Teamsters Local Union 786 Building Material Pension Fund Pension Plan

Plan Sponsor

Trustees of Teamsters Local Union 786 Building Material Pension Fund

Employer Identification Number

51-6067400

Plan Number

001

Plan Administrator

The Board of Trustees

Type of Retirement Fund

Defined Benefit

Type of Administration

The Board of Trustees administers the Retirement Plan.

The Trustees of this Plan are:

Employee Trustees

James Goddard
Suite 500
300 South Ashland Avenue
Chicago, Illinois 60607

Edward Rizzo
Suite 500
300 South Ashland Avenue
Chicago, Illinois 60607

Brandon Snow
Suite 500
300 South Ashland Avenue
Chicago, Illinois 60607

Bryant Smith
Suite 500
300 South Ashland Avenue
Chicago, Illinois 60607

Employer Trustees

Steven Warnke
300 S. Ashland Ave.
Chicago, IL 60607

Jeff Ozinga
18825 South Old LaGrange Rd.
Mokena, IL 60448

Kevin Jarchow
11303 W. Manhattan-Monee
Monee, IL 60449

Dave Mashek
7601 W. 79th St.
Bridgeview, IL 60455

Agent for Service of Legal Process

Jeffery Hoff
Suite 500
300 South Ashland Avenue
Chicago, Illinois 60607

Service of legal process may also be made upon any Plan Trustee.

Name of Trust Fund

Local Union 786 Building Material Pension Fund.

Source of Contributions to the Plan

The benefits described in this booklet are provided through Employer Contributions. The amount of Employer Contributions is determined by the provisions of the Collective Bargaining Agreements.

Contributing Employers

The Plan Administrator will advise Participants or beneficiaries, upon written request, whether or not a particular employer is a party to a Collective Bargaining Agreement requiring contributions to the Pension Fund or is a participating employer.

Plan Year

The Trust Fund is maintained on a 12-month fiscal year basis, beginning on September 1 and ending August 31.

Plan Funding Agent

Contributions are paid to the Trust Fund and all benefits are paid from the Trust Fund.

PENSION BENEFITS

Teamsters Local 786
Building Material Pension Plan

300 South Ashland Avenue, Suite 500
Chicago, Illinois 60607
(312) 666-1875
www.teamsters786benefits.com