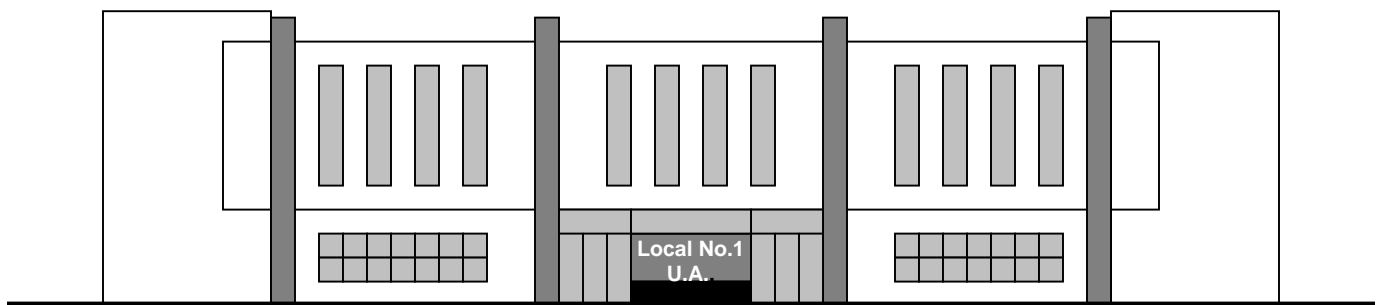


ADDITIONAL SECURITY BENEFIT FUND



SUMMARY PLAN DESCRIPTION

CIVIL SERVICE EMPLOYEES



PLUMBING INDUSTRY BOARD - PLUMBERS LOCAL UNION

158-29 GEORGE MEANY BOULEVARD, HOWARD BEACH, NEW YORK 11414

2006

To All Eligible Employees:

This updated booklet describes the benefits provided by the Plumbers Local Union No. 1 Additional Security Benefit Plan as well as information that must be included to comply with the Employee Retirement Income Security Act of 1974 (ERISA). This booklet is effective January 1, 2006.

The Additional Security Benefit Fund is intended to supplement those benefits provided by the other Plumbers Local Union No. 1 Funds. The Additional Security Benefit Fund provides supplemental unemployment benefits, supplemental workers' compensation benefits, supplemental disability benefits, supplemental income maintenance, emergency benefits for disaster, fire or flood, severance benefits, funeral benefits, death benefits, supplemental death benefits (Supplemental Death Benefits available under Account A only), supplemental vacation benefits, legal services benefits, education/training benefits.

Effective January 1, 2006, because of changes in the tax laws supplemental medical benefits are no longer provided by the Additional Security Benefits Fund.

Effective January 1, 2006, supplemental death benefits will continue to be provided by the Additional Security Benefits Fund on a limited basis as described below for contributions to this Fund for hours worked through December 31, 2005.

Some of these benefits are taxable to you based on the current rules of the Internal Revenue Service and New York State. When required by these rules, the Fund must withhold taxes from your benefits when they are paid. Tax rules change from time to time and the Fund must operate in accordance with legal requirements.

This booklet outlines the eligibility rules, describes the conditions governing the payment of benefits, and explains the procedures you should follow in filing a claim as well as an appeals procedure should your claim be denied.

Since the purpose of the Additional Security Benefit Fund is to benefit you and your family, we urge you to read this booklet carefully so that you will understand the complete plan of benefits, as well as the eligibility rules and the procedures for filing claims. It is the Trustees' goal to provide the most appropriate benefits that will contribute to the security, health and well being of the Plan participants and their families. Changing economic conditions require a constant assessment of the benefit plan. The trustees will, as appropriate, continue to make changes that benefit participants and beneficiaries while maintaining the financial strength of the Fund.

Please remember that you have the right to submit to the Trustees for their consideration any questions or concerns in connection with the operation or administration of the Plan.

Sincerely,

**The Board of Trustees
Plumbers Local Union No. 1
Additional Security Benefit Fund**

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IMPORTANT CHANGES

Contribution Changes

Due to a change in the tax laws, certain changes have been made to both the contributions to the Additional Security Benefit Fund and the benefits provided by the Fund. These changes affect contributions made for hours worked after December 31, 2005 and are described below.

Contributions to this Fund for each day worked, as that term is defined in the applicable collective bargaining agreement (days worked) are made by your employer on a pre-tax basis. Benefits are taxed to you when they are distributed to you or your beneficiary. The tax rules for this portion of the account, which is referred to as **Account A** (Employer Contributions) remain the same, and are detailed in a chart on pg.18 of this Booklet.

How Distributions will be Made

- Withdrawals will be made from Account A (Employer Contributions).

Benefit Changes

As described in the Cover Letter to this Booklet, because of changes in the tax laws effective January 1, 2006, supplemental medical benefits are no longer provided by the Additional Security Benefit Fund.

Effective January 1, 2006, supplemental death benefits will continue to be provided by the Additional Security Benefits Fund Account A for contributions to this Fund for days worked through December 31, 2005.

BENEFIT HIGHLIGHTS

If you are an Eligible Employee as defined in the Section below entitled “Eligibility for Benefits”, you will be enrolled in this Plan. You will have an account into which Employer (Account A) contributions received for days worked will be held. Subject to the limits and eligibility requirements of the Plan, you will be able to receive the amounts in your Account in the form of the various benefits provided by the Plan. Aside from the Supplemental Death Benefit described more fully below, benefits payable to you or your Eligible Dependents cannot exceed your Account balance and are subject to the limitations and eligibility requirements described below.

In addition to contributions, interest is credited to Accounts. The amount of interest to be credited to each Employee’s Account will be determined by the Trustees for each calendar year. The interest and other investment income of the Fund in excess of the amounts credited to Accounts will be used to pay for the administration of the Fund and for the Supplemental Death Benefits. Interest is not credited to an Employee’s Account for the year in which the Employee dies.

BENEFIT	AMOUNT
<p>Supplemental Unemployment Benefit Payable to Employee.</p>	<p>Greater of \$300 or amount of Employee’s base pay per week in accordance with the normal working hours per week under the applicable Collective Bargaining Agreement less the amount of State unemployment benefits.</p>

BENEFIT	AMOUNT
<p>Supplemental Workers' Compensation Benefit Payable to Employee.</p>	<p>Greater of \$300 or amount of Employee's base pay per week in accordance with the normal working hours per week under the applicable Collective Bargaining Agreement less the amount of State workers' compensation benefits.</p>
<p>Supplemental Disability Benefit Payable to Employee.</p>	<p>Greater of \$300 or amount of Employee's base pay per week in accordance with the normal working hours under the applicable Collective Bargaining Agreement less the amount of State disability benefits.</p>
<p>Supplemental Income Maintenance Payable to Employee who is unemployed, underemployed, injured on the job or disabled and not eligible for Supplemental Unemployment, Supplemental Workers' Compensation or Supplemental Disability.</p>	<p>Greater of \$300 or the amount of the Employee's base pay per week based on the normal working hours under the applicable Collective Bargaining Agreement up to a maximum of \$1,500 per week.</p>
<p>Emergency Benefit for Economic Catastrophe- Disaster, Fire or Flood</p>	<p>No maximum.</p>
<p>Severance Benefit Payable to Employee.</p>	<p>Maximum of two times annual wages of Employee in the year immediately preceding severance of employment in the industry.</p>
<p>Funeral Benefits Payable for the funeral/burial expenses of an Employee or Dependents.</p>	<p>No maximum.</p>
BENEFIT	AMOUNT

<p>Death Benefit Payable upon the death of the Employee. Paid after the funeral benefit to the Beneficiary if different from the person applying for Funeral Benefits.</p>	<p>The Beneficiary may elect to receive the Death Benefits in a single payment or in monthly payments.</p> <p>However, if at time of payment, the account balances is \$5,000.00 or less death benefits will be paid in a lump-sum payment.</p> <p>The Beneficiary who elects monthly payments will receive the Employee's Account in 84 monthly payments.</p>
<p>Supplemental Death Benefit Payable upon the death of the Employee, if the income from the Fund is available, to the same Beneficiary who received the Death Benefit in an amount equal to the Death Benefit. Only Beneficiaries who elect to receive monthly payments of Death Benefits are eligible for Supplemental Death Benefits.</p> <p style="text-align: center;">Account A Only.</p>	<p>The Benefit will be paid monthly in the same manner as the Death Benefits.</p>
<p>Supplemental Vacation Benefit</p>	<p>Maximum of \$12,000 per year. Vacation Benefits not used in a calendar year may be withdrawn in the following calendar year.</p>
<p>Legal Services Benefit</p>	<p>No maximum.</p>
<p>Education/Training Benefit Payable for education/training of the Employee, spouse or eligible dependents.</p>	<p>No maximum.</p>

ELIGIBILITY FOR BENEFITS

Eligibility for benefits from the Plumbers Local Union No. 1 Additional Security Benefit Fund is based upon days worked under the Collective Bargaining Agreements which obligate employers to report and pay contributions to this Fund on your behalf, and for which contributions have been received. You may not make individual or self-contributions to gain or maintain eligibility. Your eligibility is based on payroll reports, with monthly cut-off dates determined by each employer. Contribution reports with days-worked are not due and processed until later in the following month.

Effective January 1, 2003 for Civil Service Employees the ASB Fund was amended with regards to Payroll Report Cards. Monthly Payroll Report Cards will no longer be used to verify days worked in covered employment. In its place, the Additional Security Benefit Fund will provide individual Bi-Annual Account Statements to all Civil Service Employees automatically two times each calendar year in May and November. The May statement will reflect benefits received by the Fund as of March 31st of that year. The November statement will reflect benefits received by the Fund as of September 30th of that year.

You should keep track of the days you work each month. However, the final determination of your Account balance will be based upon contributions actually received by the Fund Office.

In this Plan Booklet we use different terms to refer to categories of Employees who are affected by Plan rules. These terms and some other related terms are described below:

- ❑ **"Employee"** means an employee of a participating Employer covered by a Collective Bargaining Agreement between that Employer and Plumbers Local Union No. 1 affiliated with the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the U.S. and Canada AFL-CIO.
- ❑ **"Collective Bargaining Agreement"** means the labor agreement in force and effect between Plumbers Local Union No. 1 and the City of New York or another employer, together with any modifications, supplements or amendments.
- ❑ **"Prior Plans"** means the additional security benefit funds and supplementary benefit fund of former Local Unions 1, 2, and 371 which were merged to form this Plan on December 7, 1999.
- ❑ **"Covered Employment"** means work under a Collective Bargaining Agreement for which contributions must be made to this Fund. For purposes of determining eligibility during the period immediately following the merger on December 7, 1999, eligibility will be determined by applying the Plan rules to hours worked under this

Plan and Prior Plans as if they were hours worked under this Plan.

- **"Eligible Employee"** means an employee who has satisfied the requirements for eligibility for benefits from this Fund as described in this Plan Booklet and who is currently eligible for benefits.

How an Employee Becomes Eligible for Plan Benefits

Initial Eligibility for Employees Covered by a Collective Bargaining Agreement

You are eligible for benefits from this Plan beginning January 1, 2000, if you were eligible for benefits from Prior Plans on December 31, 1999. Employees who were not eligible for benefits from one of the Prior Plans on December 31, 1999, become eligible on the first day of the calendar month after you are credited with at least 60 days in Covered Employment under this Plan or the Prior Plans within a period of six (6) consecutive months provided the Plan actually receives the contributions for those days.

Days, which you work under a Collective Bargaining Agreement, are not credited and, therefore, eligibility is not granted unless the contributions are actually received by the Plan

Continuation of Eligibility

If you become an Eligible Employee, you and your Eligible Dependents will remain eligible for benefits so long as you have an Account balance.

Termination of Eligibility

Your eligibility will terminate on the **earliest** of the following dates:

- the date the Plan terminates, or
- the date your Account has been completely distributed after you stop working in Covered Employment.

➤ Reinstatement of Eligibility

If you have lost your eligibility for benefits under the Plan because your Account has been completely distributed after you have stopped working in Covered Employment, you may re-establish eligibility by satisfying the Initial Eligibility requirements described above.

Eligibility for Dependents

Your Eligible Dependents include your spouse and any other individual who qualifies as a dependent under Section 152 of the Internal Revenue Code. Under this law, a dependent is a relative (listed in the law) and for whom you provide more than one half of their support in the calendar year. This may include your children, including children placed for adoption and foster children placed with you; grandchildren; stepchildren; brothers and sisters and stepbrothers and sisters; parents, stepparents and grandparents; nieces and nephews and in-laws. Contact the Fund Office for more information.

Each Eligible Dependent must be listed on an Enrollment Form signed by the Employee and filed with the Fund Office before benefits will be paid for that Dependent. Each change in Dependent Enrollment (adding or terminating a Dependent) must be submitted with evidence or proof of Dependent status satisfactory to the Trustees. If there is a change in the Employee's marital status, such as a divorce or legal separation, so that the spouse or former spouse is no longer a Dependent, the Employee is responsible for notifying the Fund Office immediately. The Employee must also notify the Fund Office immediately if a previously enrolled Dependent ceases to qualify for Dependent status under this Plan.

Termination of Dependent Coverage

Benefits for Dependents end on the earliest of the following:

- ❑ The date the Employee's eligibility terminates (See page 5);
- ❑ For the Employee's spouse and any step-children, the date the Employee and spouse are divorced;
- ❑ The date the Employee ceases to provide a majority of the individuals support;
- ❑ Upon the payment of the Death Benefits following the Eligible Employee's death;

An Employee may not remove a Dependent who continues to qualify as a Dependent under the Plan. However, a Dependent may be removed based on a Court Order.

The Fund Office may investigate the status of any Dependent. The Fund Office may require copies of court orders, property settlement agreements, birth certificates, paternity determinations, guardianship orders, adoption papers, tax returns or any other document or information related to the determination of an individual's status as a Dependent.

DESCRIPTION OF BENEFITS

If you are an Eligible Employee as defined in the Plan, you will be enrolled in this Plan. You will have an Account which will be credited with Employer Contributions for days worked and interest as determined by the Trustees. You will be able to receive the amounts in your Account in the form of the various benefits provided by the Plan. Aside from the Supplemental Death Benefit described more fully below, benefits payable to you or your Eligible Dependents cannot exceed your Account balance and are subject to the limitations and eligibility requirements described below. In addition to Employer contributions, income is credited to Accounts. The interest to be credited to each Employee's Account will be determined by the Trustees for each calendar year. The income of the Fund in excess of the amounts credited to Accounts will be used to pay for the administration of the Fund and for the Supplemental Death Benefits. Interest is not credited to an Employee's Account for the year in which the Employee dies.

Contributions to this Fund for all days worked are made by your employer on a pre-tax basis. Benefits paid from this portion of your Account are taxed to you when they are distributed to you or your beneficiary. The tax rules for this portion of the account, which is referred to as Account A (Employer Contributions) are described below and are detailed in a chart on p.18 of this Booklet.

Some of these benefits are taxable to you based on the current rules of the Internal Revenue Service and New York State. When required by these rules, the Fund must withhold taxes from your benefits paid from Account A (Employer Contributions) when they are paid to you or your beneficiary. Tax rules change from time to time and the Fund must operate in accordance with legal requirements.

With respect to any benefits paid from Account A that are subject to FICA tax, the Fund will deduct the Employee's share of FICA tax from the benefit and pay it to the Internal Revenue Service plus the employer matching FICA payment. The Employer FICA tax is paid by the Fund.

How Distributions will be Made

- ❑ Withdrawals will be made from Account A (Employer Contributions)

Supplemental Unemployment Benefits

➤ What Are Supplemental Unemployment Benefits?

Supplemental Unemployment Benefits are intended to provide you with additional unemployment benefits if you become unemployed or and become eligible for or are receiving State unemployment benefits.

➤ How Much Does the Supplemental Unemployment Benefit Pay?

You are entitled to the greater of \$300 or the amount of your base wage for the period (In accordance with the normal working hours per week under the applicable Collective Bargaining Agreement) less the amount of State unemployment benefits received.

Upon filing of an Application Form, Benefits begin when you are eligible for state unemployment benefits and end when state unemployment benefits terminate.

➤ Applying for Benefits:

You must submit your completed Application Form and proof of your receipt of state unemployment benefits.

Supplemental Workers' Compensation Benefits

➤ What Are Supplemental Worker's Compensation Benefits?

Supplemental Worker's Compensation Benefits are intended to provide you with additional workers' compensation benefits if you become injured on the job and are receiving State workers' compensation benefits.

➤ How Much Does the Supplemental Workers' Compensation Benefit Pay?

You are entitled to the greater of \$300 or the amount of your base wage for the for the week in accordance with the normal working hours per week under the applicable Collective Bargaining Agreement less the amount of State workers' compensation when received.

Upon filing of an Application Form, benefits begin when you receive Workers' Compensation Benefits and end when Workers' Compensation Benefits terminate.

➤ Applying for Benefits:

You must submit your completed Application Form and proof of your receipt of State Workers' Compensation Benefits.

Supplemental Disability Benefits

➤ What Are Supplemental Disability Benefits?

Supplemental Disability Benefits are intended to provide you with additional disability benefits if you become disabled and are receiving State disability benefits.

➤ How Much Does the Supplemental Disability Benefit Pay?

You are entitled to the greater of \$300 or the amount of your base wage for the week in accordance with the normal working hours per week under the applicable Collective Bargaining Agreement less the amount of State disability benefits. Benefits end when you are no longer receiving State disability benefits.

➤ Applying for Benefits:

You must submit your completed Application Form and proof of receipt of disability benefits from the state.

Supplemental Income Maintenance

➤ What Is Supplemental Income Maintenance?

Supplemental Income Maintenance is intended to provide you with income maintenance if you become unemployed, underemployed, injured on the job or disabled. When you become eligible for Supplemental Unemployment Benefits, Supplemental Workers' Compensation Benefits, or Supplemental Disability Benefits, the Supplemental Income Maintenance will cease and the other benefit will be paid instead.

➤ How Much Does the Supplemental Income Maintenance Pay?

You are entitled to the greater of \$300 or the amount of your base wage for the week in accordance with the normal working hours per week under the applicable Collective Bargaining Agreement up to a maximum benefit of \$1,500 per week.

➤ Applying for Benefits:

You must submit an Application Form indicating the amount required and an affidavit with supporting documentation. You must attest and submit satisfactory documentation that you require these benefits due to unemployment, underemployment, on the job injury or disability. If you are unemployed or underemployed, you must submit a quarterly certification that you are ready, willing and able to work the normal working hours per week under the applicable Collective Bargaining Agreement.

Emergency Benefits for Disaster, Fire or Flood

➤ What are Emergency Benefits for Disaster, Fire or Flood?

Emergency Benefits for economic catastrophes such as Fire or Flood are intended to provide you with expenses as a result of disaster, fire or flood.

➤ How Much Does the Emergency Benefit for Disaster, Fire or Flood Pay?

There is no maximum benefit.

➤ Applying for Benefits:

Trustee approval is required for this benefit. You must submit an Application Form along with proof of economic catastrophe. Effective January 1, 2002, application for this benefit may be approved in one of two ways: (1) by the Trustees at a Trustees meeting; or (2) by the Co-Chairmen, between Trustee meetings. In either case, you must submit an Application Form along with proof of economic catastrophe.

Severance Benefits

➤ What Are Severance Benefits?

Severance Benefits are intended to provide you with benefits following your severance of employment in the industry. A participant is considered to have severed employment in the industry and is first eligible for this benefit after no contributions have been made on his behalf to the Fund, or any related funds, for twenty four (24) consecutive months. This is the Severance Date.

➤ How Much Does the Severance Benefit Pay?

The benefit is the lesser of your Account Maximum or two times your annual wages in the year immediately preceding your severance of employment in the industry. Benefits are payable in a lump sum or in equal amounts on a quarterly basis. Benefits must be paid within 24 months of the participant's Severance Date.

If you are eligible for a Severance Benefit and do not apply and receive the benefit within the 24-month period, you will not be eligible for severance benefits. In order to be eligible for the severance again, you must return to work in the industry for a minimum of 750 hours. Once this requirement is met, you will be eligible for the Severance Benefit as of any subsequent Severance Date.

➤ Applying for Benefits:

You must submit an Application Form.

Funeral Benefits

➤ What Are Funeral Benefits?

Funeral Benefits are intended to provide funeral and burial expenses for you or your Dependents.

➤ How Much Does the Funeral Benefit Pay?

There is no maximum amount.

➤ Applying for Benefits:

You must submit a completed Application Form and proof of payment of funeral bills. The payment may be assigned to the Funeral Home.

Death Benefits

➤ What Are Death Benefits?

Death Benefits are intended to provide your Beneficiary with benefits after your death. Death Benefits are payable after the Funeral Benefit, described above, if your Beneficiary is someone other than the person claiming the Funeral Benefit. Your Beneficiary may elect to receive the Death Benefit in a single sum or in monthly payments. However, your Beneficiary will only be eligible for Supplemental Death Benefits if monthly payments are elected.

➤ How Much Does the Death Benefit Pay?

For amounts in Account A, your Beneficiary may elect to receive Death Benefits as a single sum payment of the Account Balance or Monthly Payments over a period of seven (7) years (eighty-four (84) monthly payments). If at time of payment the account balance is \$5,000.00 or less death benefits will be paid in a lump-sum payment. Amounts in Account B will be paid in a lump sum.

➤ Payment of Benefits; Designated Beneficiary:

- ❑ The Death Benefit is paid based on the last Beneficiary designation received in the Fund Office before the death of the Employee or before the death of a Beneficiary receiving benefits. Divorce invalidates a prior designation of the spouse as Beneficiary. If more than one Beneficiary is designated, they will share equally unless the Employee specifies otherwise. If one Beneficiary dies before the Employee, the remaining Beneficiaries will share equally.
- ❑ If no Beneficiary is designated or if all designated Beneficiaries die or are invalidated, payment of Death Benefits with respect to the Employee or Beneficiary receiving benefits will be made in the following order: (1) surviving spouse of the deceased Employee or Beneficiary; (2) children of the deceased Employee or Beneficiary; (3) parents of the deceased Employee or Beneficiary; (4) brothers and sisters of the deceased Employee or Beneficiary; (5) personal representative of the deceased Employee's or deceased Beneficiary's estate.
- ❑ If there is more than one individual in a category, the benefit will be divided equally among them unless the Employee states otherwise in a beneficiary designation. If a Beneficiary determined according to the procedures in this paragraph dies before all the payments are made, the remaining payments will be made to the relatives or estate of the original Beneficiary as stated above. .

- Effective January 1, 2002, a Beneficiary may refuse his or her interest in your Death Benefits by filing a complete and irrevocable refusal to accept the benefits on a form provided by the Fund Office and signed by the Beneficiary. The refusal must be received by the Fund no later than nine (9) months after your death or in the case of a Beneficiary who is a minor, no later than nine (9) months after the date the minor Beneficiary reaches age 21. A Beneficiary must completely refuse his or her interest in your Death Benefits; the Beneficiary may not accept some portion of the Death Benefits and refuse the rest. The Beneficiary refusing the Death Benefits may not specify who should receive the Death Benefits refused. The Death Benefits will be paid under the terms of the Plan as if the Beneficiary refusing the Death Benefits had died before you.
- If Death Benefits are paid to a minor, the Fund may pay the benefits due to the minor to the person having present custody or care of the minor and with whom the minor resides. The recipient on behalf of the minor must agree in writing to apply the payments solely for the minor's support and must comply with any other conditions established by the Trustees. The Trustees may also make payment to a minor by depositing the amount in an insured bank account for the minor and giving notice to the minor.

➤ **Applying for Benefits:**

Your Beneficiary must submit a completed Application Form and a copy of the Death Certificate.

Supplemental Death Benefits Account A Only

➤ **What Are Supplemental Death Benefits?**

Supplemental Death Benefits are intended to provide the beneficiary who received the Death Benefits as monthly benefits with additional benefits if income from the Fund is available. An Employee is not eligible for Supplemental Death Benefits if he or she is not represented by Plumbers Local Union No. 1 at the time of his/her death.

➤ **How Much Does the Supplemental Death Benefit Pay?**

The Supplemental Death Benefit is an additional amount equal to your Account, after payment of the Funeral Benefit. Only Beneficiaries who elected to receive monthly payments will be eligible to receive Supplemental Death Benefits. The additional benefit will be paid in monthly payments in the same manner as the Death Benefit described above.

➤ **Applying for Benefits:**

Your Beneficiary must submit a completed Application Form and a copy of the Death Certificate.

Supplemental Vacation Benefits

➤ **What Are Supplemental Vacation Benefits?**

Supplemental Vacation Benefits are intended to provide you with vacation benefits.

➤ **How Much Does the Supplemental Vacation Benefit Pay?**

The benefit has a limit of \$12,000 per year. Vacation Benefits not used in a calendar year may be withdrawn in the following calendar year.

➤ **Applying for Benefits:**

You must submit a completed application form indicating the amount requested for vacation. You may apply for benefits two times a year. You may also elect for an Annual Supplemental Vacation Benefit/Form W-4 distribution one time each year in place of the two discretionary payments. However, the Fund must receive an application for distribution no later than the last Tuesday in the month of January. (see p.18 for description of tax withholdings available by electing Annual Supplemental Vacation Benefit payments and providing the Fund with a valid Form W-4).

Legal Services Benefit

➤ **What Are Legal Services Benefits?**

Legal Services benefits are intended to provide you with reimbursement of amounts paid for legal services for the Employee or Dependent.

➤ **How Much Does the Legal Service Benefit Pay?**

There is no maximum amount.

➤ **Applying for Benefits:**

You must submit a completed Application Form with a copy of your legal services bill.

Education/Training Benefit

➤ What are Education/Training Benefits?

Education and/or Training Benefits are intended to provide you with expenses for your education or training and for the education and training of your spouse and/or eligible dependents.

➤ How Much Does the Education/Training Benefit Pay?

There is no maximum amount.

➤ Applying for Benefits:

You must submit a completed Application Form along with copies of bills for the education or training.

TAX RULES

Account A – Employer Contributions

The money in your Individual Account A is not considered taxable income until you actually receive it. When you receive the money in your Individual Account A as benefits, it must be reported as taxable income. All benefits are subject to withholdings (Except Funeral Benefits, Death Benefits and Supplemental Death Benefits). For more detailed information concerning taxes and withholdings please see the charts and examples listed below.

Tax Withholdings (Account A Only)

As required by the I.R.S., the Additional Security Benefit Fund (ASB) will be deducting FICA, Federal, State and City Taxes from all taxable ASB benefit payments. Any taxable benefit payment made to you by the Additional Security Benefit Fund (ASB) will therefore be net of the following taxes:

Note: To override the fixed NYS withholding tax percentage Out-of-State residents must file a W-4 Form with the Industry Board.

Benefit	FICA	Federal	State	City
a. Supplemental Unemployment	0.00%	25%	7.35%	4%
b. Supplemental Worker's Comp.	7.65%	25%	7.35%	4%
c. Supplemental Disability	7.65%	25%	7.35%	4%
d. Supplemental Income Maint.	7.65%	25%	7.35%	4%
e. Emergency Benefit for Disaster	7.65%	25%	7.35%	4%
f. Severance Benefit	7.65%	25%	7.35%	4%
g. Funeral Benefit ⁽¹⁾	0.00%	0.00%	0.00%	0.00%
h. Death Benefit ⁽¹⁾	0.00%	0.00%	0.00%	0.00%
i. Supplemental Death Benefit	0.00%	0.00%	0.00%	0.00%
j. Supplemental Vacation	7.65%	25%	7.35%	4%
k. Annual Supplemental Vacation ⁽²⁾	7.65%	Varies	Varies	Varies
l. Legal Services Benefit	7.65%	25%	7.35%	4%
m. Education/Training Benefit	7.65%	25%	7.35%	4%

Note 1: Funeral Benefit, Death Benefit and Supplemental Death Benefit are Taxable to the Beneficiaries.

Note 2: Annual tax withholding tables can be used for Annual Supplemental Vacation Benefits only if you provide the Fund with a valid Form W4. If a valid Form W-4 is not provided withholdings will be the same as Supplemental Vacation as stated above.

Annual Supplemental Vacation Benefit Tax Withholdings (Account A Only)

The following examples summarize the tax withholdings available by electing Annual Supplemental Vacation Benefit payments and providing the Fund with a valid Form W-4. If a valid Form W-4 is **not** provided withholdings will be the same as Supplemental Vacation. These examples which are based on the 2006 tax rates, illustrate withholdings on an unmarried individual, married individual, and married individual with two children who does not itemize deductions and whose only source of income is wages from employment. Please note that if you are married and have additional income from a working spouse or from other types of investments, your tax bracket may be higher, and your withholdings may be that much greater. These examples include FICA, Federal, State and City income tax rates based on annual tax tables issued by the respective taxing authorities and are merely for illustrative purposes. **Check with your tax advisor to see how electing Annual Supplemental Vacation Benefits can affect you.**

Example 1 – Assume you elect an Annual Supplemental Vacation Benefit of **\$12,000** and provide the Fund with a valid Form W-4.

	FICA	Federal	State	City	Payment
Single w/Zero	\$918.00	\$1,035.00	\$201.00	\$133.00	\$9,713.00
Married w/Zero	\$918.00	\$400.00	\$181.00	\$123.50	\$10,337.50
Married w/2	\$918.00	\$0.00	\$101.00	\$85.50	\$10,895.50

Example 2 – Assume you elect an Annual Supplemental Vacation Benefit of **\$6,000** and provide the Fund with a valid Form W-4.

	FICA	Federal	State	City	Payment
Single w/Zero	\$459.00	\$335.00	\$0.00	\$19.00	\$5,187.00
Married w/Zero	\$459.00	\$0.00	\$0.00	\$9.50	\$5,531.50
Married w/2	\$459.00	\$0.00	\$0.00	\$0.00	\$5,541.00

Example 3 – Assume you elect an Annual Supplemental Vacation Benefit of **\$2,000** and provide the Fund with a valid Form W-4.

	FICA	Federal	State	City	Payment
Single w/Zero	\$153.00	\$0.00	\$0.00	\$0.00	\$1,847.00
Married w/Zero	\$153.00	\$0.00	\$0.00	\$0.00	\$1,847.00
Married w/2	\$153.00	\$0.00	\$0.00	\$0.00	\$1,847.00

GENERAL INFORMATION

How to File a Claim For Benefits

Claim forms for benefits are available from the Fund Office.

Read the claim form carefully, make sure you answer all questions on both sides of the form, and include any required information.

Documents and proof required for the various benefits provided by this Plan are detailed in the description of each benefit.

The claim should be mailed, along with the required attachments, to:

Plumbers Local Union No. 1
Additional Security Benefit Fund
158-29 George Meany Boulevard
Howard Beach, New York 11414

Claims Appeal Procedure

If your application for benefits is denied, in whole or in part, the Fund Office will provide you with an explanation of benefits, which sets forth the reasons for the denial. If you disagree with the decision of the Fund Office concerning your application for benefits, here is what you should do.

- ❑ Review your application form and supporting documents carefully. Make certain that the Fund Office has received all information required for your application
- ❑ If you still have a question concerning the denial of your application for benefits, you may request the Board of Trustees to review your benefit denial by submitting a written appeal to the Trustees. Your written appeal must be submitted within 90 days after you receive a notice of denial.

Your appeal should be sent to:

Plumbers Local Union No. 1
Additional Security Benefit Fund
158-29 George Meany Boulevard
Howard Beach, New York 11414

Your written appeal should state the reason for your appeal. This does not mean that you are required to quote all applicable Plan provisions or to make “legal” arguments; however, you should state clearly why you believe you are entitled to the benefit you claim. The Trustees can best consider your position if they clearly understand your claims, reasons and/or objections.

The Trustees or a designated committee of the Trustees will review your appeal at their quarterly meeting immediately following the receipt of your appeal unless the Fund Office received your appeal within 30 days of the date of the meeting. In this case your appeal will be reviewed at the second quarterly meeting following receipt of the appeal. You may wish to contact the Fund Office concerning the date of the next meeting so that you may submit your appeal in time to be heard at that meeting. If special circumstances require an extension of the time for review by the trustees or the committee, you will be notified in writing.

You will receive written notice of the decision of the Trustees or committee promptly following their review. The notice will include specific references to Plan provisions on which the decision is based, any may indicate if additional information might help your claim.

You may renew your appeal if you have additional information or arguments to present. A renewed appeal must be submitted in writing and the rules and time limits stated above apply.

In connection with an appeal or renewed appeal, you may review pertinent documents in the Fund Office after making appropriate arrangements or you may request that documents be provided to you. The Fund may charge \$.25 per page to provide documents to you and this amount must be paid in advance.

Plan Termination/Amendment or Elimination of Benefits:

The Additional Security Benefit Fund may be terminated by a document in writing adopted a majority of the Union Trustees and a majority of the Employer Trustees. The Fund may be terminated if, in the opinion of the Trustees, the Trust Fund is not adequate to carry out the intent and purpose of the Fund as stated in its Trust Agreement, or is not adequate to meet the payments due or which may become due under the Plan of Benefits. The Fund may also be terminated if there are no individuals living who can qualify as Employees or Beneficiaries under the Plan. Finally, the Fund may be terminated if there are no longer any Collective Bargaining Agreements requiring contributions to the Fund. The Trustees have complete discretion to determine when and if the Fund should be terminated.

If the Fund is terminated, the Trustees will: (a) pay the expenses of the Fund incurred up to the date of termination as well as the expenses in connection with the termination; (b) arrange for a final audit of the Fund; (c) give any notice and prepare and file any reports which may be required by law; and (d) apply the assets of the Fund in accordance with the Plan of Benefits including amendments adopted as part of the termination until the assets of the Fund are distributed.

No part of the assets or income of the Fund will be used for purposes other than for the exclusive benefit of the Employees and the Beneficiaries or the administrative expenses of the Fund. Under no circumstances will any portion of the Fund revert or inure to the benefit of any contributing Employer, the Association or the Union either directly or indirectly.

Upon termination of the Fund, the Trustees will promptly notify the Union, the Association, Employers, and all other interested parties. The Trustees will continue as Trustees for the purpose of winding up the affairs of the Fund.

In addition, the Trustees have complete discretion to amend or modify the Plan and any of its provisions, in whole or in part, at any time. This means that the Trustees can reduce, eliminate or modify benefits as well as improve benefits. The trustees may also modify eligibility requirements for coverage.

The Following Information is Required by the Employee Retirement Income Security Act (ERISA):

Official Name of Plan:

Plumbers Local Union No. 1 Additional Security Benefit Fund.

Type of Administration:

This is a collectively bargained, jointly trustee labor management trust fund. The plan is self-administered.

Type of Plan: The Additional Security Benefit Fund is intended to supplement the Plumbers Local Union No. 1 Welfare Fund and provides supplemental unemployment benefits, supplemental workers' compensation benefits, supplemental disability benefits, supplemental income maintenance, emergency benefits for disaster, fire or flood, severance benefits, funeral benefits, death benefits, supplemental death benefits, supplemental vacation benefits, legal services benefits, education/training benefits. The Plan is self-funded.

Benefits may be denied or limited to the extent necessary to satisfy IRS non-discrimination rules.

The Trustees in their sole discretion, have the right to interpret, terminate, suspend, withdraw, amend or modify the Plan and any of its provisions, in whole or in part, at any time, including the existence and duration of coverage for all employee, retirees, dependents; eligibility and requirements for coverage; the availability and extent of benefits and conditions for and method of payment of benefits.

Interpretations concerning eligibility for benefits, claims, status of employees and employers or any other matter relating to the Additional Security Benefit Fund should be obtained through the Board of Trustees or the Fund Administrator. The Trustees are not obligated by, responsible for, or bound by opinions, information or representations from other sources.

Name and address of the Administrator, the Fund Office and the Person Designated as Agent for Service of Legal Process:

Plumbing Industry Board
Plumbers Local Union No. 1
Additional Security Benefit Fund
158-29 George Meany Boulevard
Howard Beach, NY 11414
(718) 835-2700

Service of process may also be made on any Plan Trustee.

Names, Titles and Addresses of the Plan Trustees:

UNION TRUSTEES

Names, Titles and Addresses of the Plan Trustees:

George W. Reilly, Co-Chairman
Plumbers Local Union No. 1
158-29 George Meany Boulevard
Howard Beach, NY 11414

Kevin Brady
Plumbers Local Union No. 1
158-29 George Meany Boulevard
Howard Beach, NY 11414

Donald Doherty
Plumbers Local Union No. 1
158-29 George Meany Boulevard
Howard Beach, NY 11414

John J. Murphy
Plumbers Local Union No. 1
158-29 George Meany Boulevard
Howard Beach, NY 11414

ALTERNATE UNION TRUSTEES

Michael Apuzzo
Plumbers Local Union No. 1
158-29 George Meany Boulevard
Howard Beach, NY 11414

Fred Delligatti
Plumbers Local Union No. 1
158-29 George Meany Boulevard
Howard Beach, NY 11414

John Feeney
Plumbers Local Union No. 1
158-29 George Meany Boulevard
Howard Beach, NY 11414

EMPLOYER TRUSTEES

Vito Giachetti, Co-Chairman
Taggart Associates Corporation
5-33 50th Avenue
Long Island City, NY 11101

Eugene Boccieri
Duo Plbg & Htg Company
88 Kreischer Street
Staten Island, NY 11309

Thomas Maniuszko
Total Service Ltd.
116-04 Atlantic Avenue
Richmond Hill, NY 11419

Richard Turchiano
Richards Plumbing & Heating Co., Inc.
103 Dobbin Street
Brooklyn, NY 11222

ALTERNATE EMPLOYER TRUSTEES

Vincent Gamba
Olympic Plbg & Htg Services, Inc.
233-08 Linden Boulevard
Cambria Heights, NY 11411

Alexander Vecchione
Almar Plbg & Htg Corporation
116-14 Rockaway Boulevard
South Ozone Park, NY 11420

Source of Financing of the Plan and Identity of Any Organization Through Which Benefits Are Provided:

Payments are made to the trust by individual employers under the provisions of collective bargaining agreements, and from any income earned from investment of contributions. All monies are used exclusively for providing benefits to eligible employees and their dependents and for expenses incurred with respect to the operation and administration of the Plan.

The Fund Office will provide you, upon written request, information as to whether an Employer is contributing to this Plan on behalf of employees working under a collective bargaining agreement.

Issuer Information

All benefits are administered under the direction of the Trustees. There is no liability on the Board of Trustees or any other individual or entity to provide payment over and beyond the amount in the Fund.

Date of the End of the Plan Year: December 31.

Internal Revenue Service Plan Identification Number:

The Internal Revenue Service assigns an Employer Identification Number (EIN) to organizations sponsoring benefit plans. The Board of Trustees is the sponsor of this Plan. Its EIN is 11-1870373.

Plan Number (PN): 501

ERISA RIGHTS STATEMENT

As a participant in Plumbers Local Union No. 1 Additional Security Benefit Fund you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites and union halls, all documents governing the plan,

including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefits Administration.

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

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

Prudent Actions by Plan Fiduciaries

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

Enforce Your Rights

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

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request 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 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 medical child support order, you may file suit in Federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are

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

Assistance with 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, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration. The benefits described in these pages supersede and replace any previous information furnished.

Requests for amounts of coverage other than those to which you are entitled as set forth in this booklet cannot be honored.

This document is intended to serve as both the Summary Plan Description (SPD) and the Plan Document itself and as such the Board of Trustees has adopted it.