401(k)

EMPLOYEE SAVINGS PLAN

SUMMARY PLAN DESCRIPTION

PLUMBERS LOCAL UNION No.1 FUND OFFICE

50-02 FIFTH STREET, LONG ISLAND CITY, NEW YORK 11101

2018

To all Eligible Employees,

Throughout your career in the Plumbing Industry, the Plumbers Local Union No. 1 and signatory employers make every effort to provide you with the tools you need to do your job safely and efficiently. The Plumbers Local Union No. 1 Employee 401(k) Savings Plan (“Plan”) is another tool developed by the Union with signatory employers to provide additional income to you and your family when you retire. The Plan can help to supplement the retirement income that you may receive from other sources—such as the Plumbers and Pipefitters National Pension Fund, Social Security and your own personal savings.

This updated Summary Plan Description (SPD) is a tool to help you make your retirement decisions. You should share this handbook with your spouse or beneficiary because it contains important information about benefits that are payable to your survivor.

This SPD has been designed to be easy to read and understand. “Fast Facts” appear at the beginning of each section to give you a quick overview of what is contained within that section. Also, useful information—such as definitions and phone numbers—appear in the margin as a quick reference.

On page 23, you will find a chapter called “Life Events That May Affect Your Benefit.” Refer to this chapter for information about what to do if:

- you get married or divorced;
- you stop working;
- you become disabled; or
- you or your spouse dies.

If you have questions about the 401(k) your plan, investments, documents or planning for retirement, contact the Fund Office at (718) 835-2700 and / or the Plan’s Recordkeeper, Prudential Retirement at 877-778-2100 where Representatives are available weekdays, from 8 a.m. to 9 p.m. ET. An automated voice-response system is available 24/7.

Sincerely yours,
Plumbers Local Union No. 1 Employee 401(k) Savings Plan

Board of Trustees

This Summary Plan Description provides a summary of the benefits for participants in the Plumbers Local Union No. 1 Employee 401(k) Savings Plan (as amended through December 3, 2017). The actual Plan documents contain the information on which this booklet is based, therefore, the actual Plan documents will govern the rights to benefits in all cases. The Board of Trustees reserves the right to amend the Plan from time to time and to terminate the Plan. If the rules or benefits change you will receive written notice explaining the changes. Please be sure to read all Plan communications and keep them with this booklet.

Table of Contents

How Does the Plan Work?

Administration of the Plan

The Plan is administered by a joint Board of Trustees with an equal number of representatives from the Union and Contributing Employers. The Plan was created pursuant to a Trust Agreement that establishes the Plan. The Trustees have the duty and authority to administer the Plan. Under the Employee Retirement Income Security Act of 1974 ("ERISA"), the Trustees are the "Plan Administrator", the "Plan Sponsor", and the "Named Fiduciaries" of the Plan. The names and business address of each of the current Trustees are as follows:

The Board of Trustees

The names and business addresses of each of the current Trustees are as follows:

UNION TRUSTEES	EMPLOYER TRUSTEES
Michael Apuzzo, Co-Chairman Plumbers Local Union No. 1 50-02 Fifth Street, 2nd Floor Long Island City, NY 11101	**Eugene Boccieri, Co-Chairman** Duo Plumbing & Heating Company 88 Kreischer Street Staten Island, NY 11309
Freddy Delligatti Plumbers Local Union No. 1 50-02 Fifth Street, 2nd floor Long Island City, NY 11101	**Louis J. Buttermark** Louis Buttermark & Sons, Inc. 16 New Dorp Lane Staten Island, NY 10306
Daniel Lucarelli Plumbers Local Union No. 1 50-02 Fifth Street, 2nd Floor Long Island City, NY 11101	**Vito M. Giachetti** Giachetti Plumbing & Heating Corp. 58 Tiemann Place New York, NY 10027
Paul O'Connor Plumbers Local Union No. 1 50-02 Fifth Street, 2nd Floor Long Island City, NY 11101	**Reed D. Rickman** Crescent Contracting Corporation 2800 Webster Ave Bronx, NY 10458
ALTERNATE UNION TRUSTEES	**ALTERNATE EMPLOYER TRUSTEES**
None	**Terence O'Brien** Association of Contracting Plumbers 44 West 24th Street, 12th floor New York, NY 10001

The full Board of Trustees is authorized to interpret the Plan and Trust Agreement. The Board has discretion to decide all questions about the Plan or Trust, including questions about your eligibility for participation, benefits and the definition of any Plan terms. No individual Trustee, Employer, or Union representative has the authority to interpret this Plan on behalf of the Board or to act as an agent of the Board. The Board also has the discretion to determine the facts of any claim you make for benefits.

The day-to-day operations of the Plan are carried out by the Joint Plumbing Industry Board (Fund Office) and Prudential Retirement at the following addresses:

FUND OFFICE	RECORDKEEPER
Joint Plumbing Industry Board "Fund Office" 50-02 Fifth Street, 2nd Floor Long Island City, NY 11101 (718) 835-2700 **Normal Business Hours:** 8:00 am to 4:30 pm Monday – Friday **Fund Office Website:** Ualocal1funds.org	**Prudential Retirement** 30 Scranton Office Park Scranton, PA 18509 (877) 778-2100 **Normal Business Hours:** 8:00 am to 9:00 pm ET Monday - Friday **Participant Website:** UA1.retirepru.com

An Overview of the Plumbers Local Union No. 1 Employee 401(k) Savings Plan

This Plan, known as the Plumbers Local Union No. 1 Employee 401(k) Savings Plan (the "Plan"), was established by the Plumbers Local Union No. 1 and the Association of Contracting Plumbers of the City of New York, Inc. The Plan is maintained pursuant to a collective bargaining agreement ("CBA") between these parties. The Internal Revenue Service has determined that this Plan is qualified as tax exempt under Sections 401(a) and 401(k) of the Internal Revenue Code.

The Plan was established in 1996. This booklet sets forth the benefits offered by the Plan on or after December 8, 2017.

FAST FACTS:

- **If you are a "covered employee," you begin participating in the Plan immediately upon commencement of employment. "Covered Employment" means employment of an Employee by an Employer for which the Employer is required by an Agreement to make 401(k) Elective Contributions and/or Employer Contributions.**
- **The Plumbers Local Union No. 1 Employee 401(k) Savings Plan creates one "Individual Account" for you with two sub-accounts—one for Employer Contributions made on your behalf and one for your 401(k) Elective Contributions deducted from your wages.**
- **Your Employer contributes to the Plan on your behalf. These contributions are invested by you.**
- **You do not have to make 401(k) Elective Contributions to be entitled to the Employer Contributions. The Employer Contribution is automatic.**
- **However, you will automatically be enrolled with a one percent (1%) Elective Contribution deducted from your gross hourly wages before taxes have been deducted—and invested into one or more of the Plan's investment fund options. You determine how to invest your 401(k) Plan Account.**
- **You are permitted to contribute up to 75% of your pay into your 401(k) Plan account effective January 1, 2017, subject to applicable limitations.**

What is my "Individual Account"?

When you become eligible to participate in the Plumbers Local Union No. 1 Employee 401(k) Savings Plan, an Individual Account is established for you.

Your Individual Account holds your collectively bargained Employer Contribution Account and your 401(k) Elective Contribution Account.

WHAT IS THE PLUMBERS LOCAL UNION NO. 1 EMPLOYEE 401(K) SAVINGS PLAN?

The Plumbers Local Union No. 1 Employee 401(k) Savings Plan is a supplemental retirement benefit that offers two sources of retirement income for you in addition to your benefit from the Plumbers and Pipefitters National Pension Fund.

When you become eligible, an Individual Account is established for you. Your Individual Account consists of an **Employer Contribution Account**, a **401(k) Elective Contribution Account** and, if applicable, a **Qualified Rollover Account.**

The collectively bargained contributions to your Employer Contribution Account, your own 401(k) Elective Contributions to the 401(k) Elective Contribution Account, and any investment income that you may earn on those contributions will accumulate in your Individual Account. You do not pay taxes on your account balance until you receive a distribution from your Individual Account. When you terminate employment in the Plumbing Industry, you are eligible to receive a distribution of the balance of your Individual Account or you may roll it over into another eligible retirement plan. The Plan allows various distribution options that will be explained on *pages 20-22*.

Your Individual Account	
Your Employer Contribution Account	**Your 401(k) Elective Contribution Account**
Automatic Participation	*Voluntary Participation*
Mandated collectively bargained Employer Contributions	*You contribute through 401(k) Elective Contributions*
Six-month separation of service from the plumbing industry for distribution or rollover	*Six-month separation of service from the plumbing industry for distribution or rollover*
You choose how to invest your contributions. *If you do not choose how to invest your contributions, your account will automatically be invested in the Plan's Qualified Default Investment Alternative ("QDIA") on your behalf by the Board of Trustees.*	*You choose how to invest your contributions.* *If you do not choose how to invest your contributions, your account will automatically be invested in the Plan's qualified default investment allocation on your behalf by the Board of Trustees.*

The Employer Contribution Account

Participation in the Employer Contribution portion of the Plumbers Local Union No. 1 Employee 401(k) Savings Plan is automatic. An account is set up for you, your employer makes contributions to this account on your behalf according to the terms of the CBA, the money is invested by you and you are 100% vested in these contributions at all times.

In order to meet certain IRS requirements regarding minimum coverage and non-discrimination in benefits, certain employers whose employees are not covered by a CBA (i.e. Local 1, the Fund Office, and Fifth Street Real Estate Company LLC) may elect to make a three-percent (3%) of compensation contribution to the Plan on behalf of their employees. These contributions are also immediately and fully vested.

You may receive a distribution of your account when you stop working as a covered employee subject to certain restrictions.

The 401(k) Elective Contribution Account

Participation in the 401(k) Elective Contribution Account of the Plan is automatic at 1% of your gross hourly wages. You may elect to contribute additional dollars to your 401(k) Elective Contribution Account by making additional pre-tax contributions of your pay through payroll deduction. You are permitted to contribute up to 75% of your gross hourly wages (up to the maximum dollar amount prescribed by law) to your account. To do so, you must elect to defer an additional portion of your pay—before income taxes are taken out—and invest it in one or more of the Plan's investment options. Through the 401(k) Elective Contribution, you can reduce your annual income taxes.

You do not have to make 401(k) Elective Contributions to be entitled to the Employer contribution. The Employer contribution is automatic.
The Plan allows you to revoke your automatic 1% Elective Contribution election and any authorization to your employer for additional deductions of your gross wages. If you revoke your Elective Contribution election, your new election will become effective no earlier than the first day of the month following a 30-day period after receipt of the written revocation.

You may receive a distribution of your account when you stop working as a covered employee subject to certain restrictions. You may also receive a distribution of your Elective Contributions if you have a financial hardship on account of an immediate and heavy financial need that cannot be met through other means reasonably available to you.

WHAT ARE THE TAX BENEFITS OF CONTRIBUTING TO A 401(K) PLAN?

Your Elective Contributions and the contributions made by your Employer on your behalf as well as the investment earnings of the Plan will be tax-free while they remain in the Plan. Your taxable wages for income tax purposes shown on W-2 Forms will reflect your total wages reduced by the amount of your elective contributions to the Plan. However, other compensation-related programs, such as Social Security, are based on your total annual compensation (including your Elective Contributions). The contributions made by your Employers on your behalf are not considered compensation to you for tax purposes. Since the Plan is designed for retirement savings, you would normally receive this money upon retirement when your tax bracket may be lower. Upon withdrawal, all monies distributed to you by the Plan will be subject to tax unless they are rolled over to an individual retirement account (IRA) or another qualified retirement plan.

Before you receive a distribution from the Plan, you should decide how you will treat the distribution for income tax purposes – whether you wish to defer paying taxes on the distribution or pay taxes immediately.

WHEN CAN I PARTICIPATE?

You begin participating in the **Employer Contribution Account** immediately upon your "covered employment" (defined below). Mechanical Equipment & Service Division Probationary Helpers and Oil Trades Probationary Helpers are excluded from Participation.

You also begin participating in the **401(k) Elective Contribution Account** immediately at a 1% deferral rate of your gross pay. Mechanical Equipment & Service Division Probationary Helpers and Oil Trades Probationary Helpers are excluded from Participation.

If you wish to change your 401(k) Elective Contribution amount, you should complete the *"Employee Deferral Election Form B"* and submit it to your employer. This form can be obtained from your Employer or by calling the Fund Office at (718) 835-2700 or visiting the Fund Office website @ www.ualocal1funds.org .

WHAT IS "COVERED EMPLOYMENT?"

"Covered Employment" is work under a collective bargaining agreement or participation agreement for which the Participating Employer is required to contribute on your behalf to the Plan and forward your 401(k) Elective Contributions to the Plan.

Participating Employers are:

- Employers who have entered into a collective bargaining agreement with Plumbers Local Union No. 1;
- Plumbers Local Union No. 1;
- Plumbers Local Union No. 1 Welfare Fund; and
- Fifth Street Real Estate Company LLC

HOW DO I CHOOSE MY EMPLOYER CONTRIBUTION AND 401(K) ELECTIVE CONTRIBUTION INVESTMENTS?

When you begin participating in the Employer Contribution Account and 401(k) Elective Contribution Account, you will receive an Enrollment Kit from the Fund Office and a Get Started Guide from Prudential Retirement that provides details about the various investment options that are available to you. The goal of the Plan is to provide you with supplemental retirement income. Investment options have been selected to help you reach this goal. You may elect conservative, moderate and aggressive investment options based on your age, risk tolerance, and plans for retirement.

For information about the 401(k) Enrollment Kit, call the Fund Office at (718) 835-2700. For information on the Get Started Guide call Prudential Retirement at (877) 778 -2100.

As an ongoing commitment to help participants save for their retirement, the Board of Trustees has engaged Prudential Retirement to provide participant investment education. Counselors are available to help you review your accounts investment options so you can determine if such options meet your long-term investment goals and objectives. If you would like to review your account with a Counselor, please call Prudential Retirement or visit UA1.retirepru.com where online Participant education tools and resources are available.

Earning Your 401(k) Plan Benefit

Your Individual Account can earn money based on how well your investments perform. The Plan provides a variety of investment options for you to choose from.

FAST FACTS:

Call Prudential Retirement at (877) 778-2100 or visit UA1@retirepru.com

For information about your 401(k) Plan,

To make changes to the way your contributions are invested.

- **You decide how much to contribute in the 401(k) Elective Contribution Account. One percent (1%) of your gross earnings will be deducted and contributed to the Plan *automatically*. You can make changes to your "401(k) Elective Contributions" by completing and returning to your employer the "Employee Deferral Election Form B".**
- **When you contribute to your Individual Account, your employer forwards a portion of your pay to your 401(k) Elective Contribution Account, so that you "lower" your own taxable income and pay less income tax.**
- **Your employer makes contributions to your Employer Contribution Account for each hour you work.**
- **The Employer Contribution is based on the Agreement between Plumbers Local Union No. 1 and your employer. Neither you nor your Employer may change this amount.**
- **You are responsible for investing the money in your 401(k) Elective Contribution and Employer Contribution Accounts by selecting from the Plan's investment options.**

HOW DO I CONTRIBUTE TO MY 401(k) ELECTIVE CONTRIBUTION ACCOUNT?

Once you are eligible to participate in the Plan, one-percent (1%) of your gross pay is automatically contributed to the Plan as 401(k) Elective Contributions. You may elect to increase or decrease your election on a monthly basis. Any requested change to your 401(k) Elective Contributions will take effect on the 1st day of the month following a 30-day period after you submit your change of 401(k) Elective Contribution Form. This must be done in writing by completing an *"Employee Deferral Election Form B"* and returning it to your employer. Your employer should provide this form to you. This form can also be obtained by calling the Fund Office at (718) 835 - 2700 or visiting the Fund Office website @ www.ualocal1funds.org.

For Example: If you elect to change your 401(k) Elective Contribution amount that you were deferring into the Plan, and request this change in writing on March 2nd; the change will be effective on May 1st. The Plan has a 30-day period of time to process the request and the request becomes effective the first day of the month following the 30- day period.

This is a "401(k) Elective Contribution," which means you choose to put a portion of your wages into the 401(k) Elective Contribution Account through before-tax payroll deductions. 401(k) Elective Contributions are your own contributions, and you can choose to increase them, subject to Internal Revenue Code limitations, or stop them entirely. You do not have to make 401(k) Elective Contributions to be entitled to the Employer contribution. The Employer contribution is automatic.

Suspending or Stopping Your Elective Contributions

If you decide to stop contributing to the Plan, you may do so in writing by completing an *"Employee Deferral Election Form B"* and returning it to your employer. Such cancellation will be effective no earlier than the first day of the month following the 30-day period after receipt of the written revocation.

If you change Employers or if you return to an Employer for whom you have previously worked, you will be automatically enrolled for the one percent (1%) 401(k) Elective Contribution. However, if you return to an Employer for whom you have previously worked within the current Plan Year, any election you have on file with the Employer may be reinstated or honored. You must file new forms to change that election.

Employee Elective Contributions – The Board has considered when Elective Contributions can reasonably be segregated from a Contributing Employer's general assets. The Board has determined that, due to the unique nature of multiemployer pension plans in the construction industry, and that the costs of establishing and administering a trust to temporarily hold participant contributions pending reconciliation would outweigh any additional benefits to participants, employers shall remit all Employee Contributions/Participant Amounts within two (2) business days after the end of the payroll period from which the Employee Contributions/Participant Amounts were deducted from the wages of the employee, but in no event later than the 15th business day of the month following the month in which the amounts would otherwise have been payable to the Participant.

Your Enrollment Kit and Get Started Guide

When you begin participating in the Employer Contribution Account and 401(k) Elective Contribution Account, you will receive an Enrollment Kit from the Fund Office and a Get Started Guide from Prudential Retirement that provides details about the various investment options that are available to you. The goal of the Plan is to provide you with supplemental retirement income. Investment options have been selected to help you reach this goal. You may elect conservative, moderate and aggressive investment options based on your age, risk tolerance, and plans for retirement. An Enrollment Kit and Get Started Guide is mailed to your home within 60 days after you become eligible for the Plan.

To receive the 401(k) Enrollment Kit, you can also call the Fund Office at (718) 835-2700. To receive the Get Started Guide call Prudential Retirement at (877) 778 -2100.

CAN I RESTART MY CONTRIBUTIONS IF I LEAVE AND THEN RETURN TO COVERED EMPLOYMENT?

Yes. If you terminate Covered Employment after becoming eligible to participate and are later rehired as a covered employee, you again will become eligible to participate and one percent (1%) of your gross pay will be deducted as 401(k) Elective Contributions.

HOW DO I INVEST MY 401(K) ELECTIVE AND EMPLOYER CONTRIBUTIONS?

Your Get Started Guide will include information about the investment options that are available to you. You decide how you'd like to invest. If you wish to change your investment options, contact Prudential Retirement or visit UA1.retirepru.com where you can complete an "***Allocation Change Form***" (formerly Investment Selection Form C") for processing your new investment elections.

Investment Options

The Plan is intended to be a plan as described in Section 404(c) of ERISA and 29 C.F.R. § 2550.404c-1. The Plan offers a wide variety of investment options. To review the Plan's current investment options, please contact Prudential Retirement. Each investment fund has different risks and returns. No one can guarantee how your investments will perform. Read your Get Started Guide materials carefully to make the right decision for you.

You are responsible for choosing where to invest the money in your account from several investment options chosen by the Trustees. There is a minimum investment per fund of one-percent (1%) of your individual Account. If you do not make a selection, the Trustees will choose a default fund or funds in which your account will be invested.

Counselors are available to help you review your accounts so you can determine if your allocation may meet your long-term investment goals and objectives.

If you would like to review your account with a Counselor, please call the Plan's Recordkeeper or visit UA1.retirepru.com where online Participant education tools and resources are available.

Please refer to your Enrollment Kit to obtain a current list of investment options available in the Plan. If you do not have a current Enrollment Kit, please contact Prudential Retirement.

You may choose to invest all of your 401(k) Elective Contributions and Employer Contributions into a single investment option or split up your money among several options. The choice is yours.

If you have ***not*** made an election as to how your individual account should be invested, your individual account in the Plan will be invested in the Plan's "Qualified Default Investment Alternative" ("QDIA") that has been selected by the Board of Trustees.

The QDIA is currently the applicable Vanguard Target Retirement Funds for each Participant as determined by your year of birth based on a presumed Target Retirement Date of age sixty-five (65). The Plan currently offers six (6) Vanguard Target Retirement Funds. Please refer to the Enrollment Kit for information regarding these investment options.

The Trustees may change the investment alternative from time to time. You will be notified of any changes.

As noted above, the Board of Trustees has retained Prudential Retirement to offer investment education with respect to the allocation of your Individual Account. If you would like assistance reviewing and/or choosing your investment allocation, please contact Prudential Retirement.

Information About Your Investments

You will receive quarterly statements concerning your Plan investments. You can request more information about the investment manager for each investment option and the portfolios that make up each of the investment options.

You may also receive, upon request:

- a prospectus;
- a description of the annual operating expenses of the investment options;
- copies of financial statements and any other material relating to the investment options if this material is provided to the Plan;
- information concerning assets in each investment option; and
- information concerning the value of each investment option held in your account.

To inquire about this information, contact Prudential Retirement.

The Plan complies with Section 404(c) of ERISA. Because you have the ability to choose how your Individual Account is invested, the Trustees are not responsible for investment losses.

WHAT HAPPENS TO MY 401(k) ELECTIVE CONTRIBUTIONS?

Your 401(k) Elective Contributions are placed in a “holding account”. At least once a week, the Fund Office reconciles these contributions with employer remittance forms and submits this reconciliation to Prudential Retirement.
Prudential Retirement’s other duties include:

- recording compensation data for certain testing that is required by the Internal Revenue Code;
- maintaining separate service records; and
- maintaining beneficiary data.

All of these procedures are designed to monitor and record 401(k) Elective Contributions accurately. While the process protects your interests, it may also mean that there will be some delay between the time you make a 401(k) Elective Contribution and the time that the contribution is entered into your account.

HOW MUCH CAN I CONTRIBUTE TO MY 401(k) ELECTIVE CONTRIBUTION ACCOUNT?

You may contribute between 1% and 75% of your pay, up to the limits set by the Internal Revenue Code (IRC). The IRC limits the amount you may contribute in any calendar year. The amount is adjusted periodically by the Internal Revenue Service to reflect changes in the cost of living. The limit for 2018 is $18,500 ($24,500 if you make “catch up contributions”). Even if you participate in more than one retirement program that allows you to make elective contributions, your total for all plans is still $18,500 ($24,500 if you make “catch up contributions”).

The Plan is required to test each year to ensure that the Plan does not discriminate in favor of Highly Compensated Employees. A Highly Compensated Employee is an employee who is a five-percent (5%) or greater owner or who receives compensation in excess of an amount set by law. This amount is adjusted periodically for inflation. In 2018, the amount is $120,000. If it is determined through testing that the Plan is discriminating in favor of these employees, those Highly Compensated Employees who have the highest amount of dollars contributed will have their contributions reduced until the test is passed. These excess contributions will be returned to the Highly Compensated Employees no later than the last day of the Plan Year following the Plan Year in which the excess contributions occurred.

Catch-Up Contributions

The Internal Revenue Code allows you to make additional contributions to the Plan—known as "catch-up contributions"—if you turn age 50 or older at any point during the Plan Year. Catch-up contributions are additional Elective Contributions that you can make once you are making the maximum Elective Contribution.

The maximum catch-up contribution for 2018 is $6,000. The catch-up contribution amount is adjusted periodically by the Internal Revenue Service to reflect changes in the cost of living.

Contributing More than the Law Allows

If you contribute more than what's allowed by law by either making contributions that exceed the annual limits imposed by the Internal Revenue Service or making 401(k) Elective Contributions during the six-month suspension period due to taking a Hardship Withdrawal from the Plan, the excess amounts plus any earnings attributable to those excess contributions may be refunded to you.

If the excess amounts and earnings are refunded to you during the calendar year in which the money went into your account, the excess amounts and earnings will be considered taxable income for the year in which you made the excess contributions. The Plan Administrator will send you a Form 1099-R for tax purposes.

If the excess amounts and earnings are refunded to you by April 15th of the year following the year in which the money went into your account, the excess contributions will be considered taxable income for the year in which you made the excess contributions. The earnings on the excess contributions will be considered taxable income in the year following the year in which you made the excess contributions. In both cases, the Plan Administrator will send you a Form 1099-R for tax purposes.

If it is determined after April 15th of the year following the year in which the money went into your account that excess contributions were made to your account, no refund amounts will be distributed to you. Those excess contributions plus any earnings attributable to the excess contributions will remain in your account until you are eligible for and request a distribution from the Plan.

Your Compensation

For Plan purposes, your compensation is your gross earnings paid to you by your employer(s). It generally includes wages and other remuneration provided to you by your employer in a calendar year. Your compensation is defined as compensation for all services, including wages, salaries, bonuses, vacation pay, sick pay, holiday pay and any Employee expense allowance which are not part of an "accountable plan".

If you earn more than $275,000 in 2018, only the first $275,000 is considered your compensation under the Plan. This $275,000 cap reflects the 2018 compensation limit. The Internal Revenue Service adjusts this limit periodically to reflect changes in the cost of living.

DOES MY EMPLOYER CONTRIBUTE TO THE 401(K) PLAN?

Yes, as part of your overall wage package, your employer contributes on your behalf to the Plan, regardless of whether you participate in the 401(k) Elective Contribution Account.

This contribution is a fixed amount per hour in accordance with the collective bargaining agreement between Plumbers Local Union No. 1 and the participating employers of the Plan.

WHAT HAPPENS TO MY EMPLOYER CONTRIBUTIONS?

Your Employer Contributions are placed in a "holding account." At least once a week, the Fund Office reconciles these contributions with employer remittance forms and submits this reconciliation to Prudential Retirement.

Prudential Retirement's other duties include:

- maintaining separate service records; and
- maintaining beneficiary data.

All of these procedures are designed to monitor and record Employer Contributions accurately. While the process protects your interest, it may also mean that there will be some delay between the time your employer makes the contributions and the time that the contributions are entered into your Individual Account.

ARE THERE ANY LIMITATIONS ON AMOUNTS CONTRIBUTED ON MY BEHALF?

Limits on Contributions

The law limits the total annual amount of contributions that may be made to this Plan on your behalf in each calendar year. The limit for 2018 is $55,000. The limit includes both the contributions made by your employer and your 401(k) Elective Contributions to your account. This limit is adjusted periodically by the Internal Revenue Service to reflect changes in the cost of living. You will be notified if these limits affect your benefit.

The Plan is also required to test each year to ensure that the Plan does not discriminate in favor of Highly Compensated Employees. A Highly Compensated Employee is an employee who is a five-percent (5%) or greater owner or who receives compensation in excess of an amount set by law. This amount is adjusted periodically for inflation. In 2018, the amount is $120,000. If it is determined through testing that the Plan is discriminating in favor of these employees, those Highly Compensated Employees who have the highest dollar amounts of contributions will have their contributions reduced until the test is passed. These excess contributions will be returned to the Highly Compensated Employees no later than the last day of the Plan Year following the Plan Year in which the excess contributions occurred. These excess contributions will be taxed in the year they are received by the participant.

CAN I CHANGE THE WAY MY CONTRIBUTIONS ARE INVESTED?

Yes. You are allowed to direct the investment of your contributions to your accounts. You may make changes as often as every day, if you'd like, by contacting Prudential Retirement.

Generally, if you contact Prudential Retirement at 1-877-PRU-2100 (1-877-778-2100) on Monday through Friday, excluding holidays, before 4:00 PM ET, your changes will be effective that same business day. If you call after 4:00 PM ET, your changes will be effective the next business day. If Prudential Retirement receives a request to change either your current investment elections, your future investment elections or both via the "Allocation Change Form", the changes to your account will occur as soon as possible after receipt of the form.

The Plan complies with Section 404(c) of ERISA and 29 C.F.R. § 2550.404(c)-1. The Trustees are not liable for any investment losses.

HOW IS MY ACCOUNT VALUED?

The value of your account is based on the fair market value of the assets in your account.

The value of your account will be increased by:

- your proportionate share of net gains attributed to your investment elections (investment gains less investment-related fees);
- any 401(k) Elective Contributions that you make;
- any Employer Contributions that are made on your behalf;
- any Rollover Contributions received on your behalf.

This amount is decreased by:

- your proportionate share of net losses in your investment selections;
- any benefits payments that have been made to you;
- any plan fees that are charged to your account to cover out-of-pocket plan expenses.

HOW OFTEN IS MY ACCOUNT VALUED?

Prudential Retirement will compute the value of your accounts each business day. You may access the value of your account by calling Prudential Retirement or visiting its website, **UA1.retirepru.com**.

After the end of each calendar quarter (March 31, June 30, September 30 and December 31), you will receive a Statement of your 401(k) Plan benefits, showing your Individual Account as of the end of such quarter.

WHEN CAN I RECEIVE A DISTRIBUTION OF MY PLAN ACCOUNT?

Generally, you may elect to receive a Plan distribution when you:

- Retire at age 55 or later;
- Become Totally and Permanently Disabled as determined by the Social Security Administration;
- Terminate Employment in the Plumbing Industry. You must have ceased work in covered employment or for any Employer contributing to this Plan for any of its employees for at least six months and demonstrate this to the satisfaction of the Trustees. The Trustees have the sole discretion to determine if you are terminated and entitled to benefits;
- Reach the age of 59½; or
- Experience Financial "Hardship."

You MUST receive a distribution from your Individual Account by April 1 after the year in which you turn 70½.

Remember that the money in your Individual Account is always yours—there is no "vesting" period.

Financial Hardships

If you experience certain types of financial hardship—a heavy and immediate financial need—you may be eligible to receive a distribution from the 401(k) Elective Contribution portion of your Individual Account and from your Rollover Contributions. These types of distributions are called "hardship withdrawals" and they are described on pages 15-16.

If You Die, Who receives your 401(k) Savings Plan Benefits?

When you initially enroll in the Plan, you are asked to name a primary beneficiary (someone who receives payment from your account if you die). If you are married, your spouse is automatically your primary beneficiary. If you wish to name someone other than or in addition to your spouse as your primary beneficiary, or if you decide to change a beneficiary you previously named, you must submit a new beneficiary designation form. In either case, if you are married, your spouse must consent to your change in beneficiary by signing the new beneficiary form in the presence of a notary public. Subject to this requirement, you may change your beneficiary at any time. You may also name more than one beneficiary. Your spouse or other designated beneficiary will receive your individual account balance upon your death.

- The Death Benefit is paid based on the last Beneficiary designation received by Prudential Retirement 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 you specify otherwise.

- If your Beneficiary dies while receiving benefits and further payments are due for periods after death, such payments shall be made to your Beneficiaries' designated Beneficiary(s).

- If no Beneficiary is designated or if all designated Beneficiaries die or are invalidated, payment of Death 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 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.

- Except as provided above, benefits will be paid within a reasonable time following notification to the Fund of the death of the Employee.

Financial Hardship Withdrawals

If you have a financial hardship that threatens your financial security, you may apply for a hardship withdrawal from your 401(k) Elective Salary Contribution Account.

FAST FACTS:

- **You may receive a distribution of your 401(k) Elective Contributions and from your Rollover Contributions if you experience a financial hardship.**
- **To be eligible for a hardship withdrawal, you must experience a heavy and immediate financial need that cannot be met from other resources.**
- **You are not required to repay your hardship withdrawal. However, your 401(k) Elective Contributions will be suspended for the six-month period following the date you receive the withdrawal.**
- **Once the six-month suspension period has ended, you will automatically have one percent (1%) of your gross pay contributed to your 401(k) Elective Contribution Account unless you file a form opting out of Elective Contributions or increasing the amount of your Elective Contributions.**

How much money can I withdraw?

You may withdraw up to the amount of your financial need—plus tax and penalties.

WHAT IS A HARDSHIP WITHDRAWAL?

A hardship withdrawal is a distribution from your 401(k) Elective Contributions (excluding investment earnings) and Rollover Contributions if you have a specific type of immediate and heavy financial need. If you experience a financial hardship, you may be eligible to receive a distribution from the 401(k) Elective Contribution and Rollover Contribution portions of your Individual Account. These types of distributions are called “hardship withdrawals” and they are described below.

WHAT TYPE OF HARDSHIPS QUALIFY?

Hardship withdrawals are available only for:

- Expenses for tax deductible medical expenses (as defined in the Tax Code Section 213(d)) for you, your spouse or dependent;
- Costs directly related to the purchase of a principal residence for you (not including mortgage payments);
- The payment of tuition, related educational fees, and room and board expenses for post-secondary education for you, your spouse, your children or dependents for the next twelve (12) months;
- Payments necessary to prevent eviction from your principal residence or foreclosure on the mortgage on your principal residence;
- Payments for the burial or funeral expenses for your deceased parent, spouse, child or dependents or a beneficiary under the Plan with respect to your Individual Account.
- Expenses for the repair of your principal residence if the expenses would qualify as deductible casualty expenses under Section 165 of the Internal Revenue Code.

WHAT REQUIREMENTS NEED TO BE FULFILLED TO RECEIVE A HARDSHIP WITHDRAWAL?

- You must have obtained all other currently permissible distributions and non-taxable loans;
- The amount of hardship distribution must not exceed the amount of need, including the amount of distribution taxes.

HOW CAN I RECEIVE A HARDSHIP WITHDRAWAL?

To apply for a hardship withdrawal, contact Prudential Retirement to obtain the ***"Hardship Withdrawal Request Form (formerly Participant's Application for Distribution of Account Form E)***. This form can also be obtained by logging onto Prudential Retirement's website and clicking on the "Forms" tab in your account. Forward the completed application to Prudential Retirement.

WHAT IS THE MAXIMUM NUMBER OF HARDSHIP WITHDRAWALS THAT I MAY TAKE?

You may not take more than two (2) hardship distributions per calendar year.

ARE THERE PENALTIES OR FEES FOR TAKING A HARDSHIP WITHDRAWAL?

Yes. If you receive a hardship withdrawal, you may not make 401(k) Elective Contributions to your 401(k) Elective Contribution Account for a six month period following payment of your hardship withdrawal. Employer Contributions will continue to be made to the Plan on your behalf.

After the suspension period has passed, you will automatically have one percent (1%) of your gross pay contributed to your 401(k) Elective Contribution Account unless you file a form opting out of Elective Contributions or increasing the amount of your Elective Contributions.

The hardship withdrawal is taxed as regular income. In addition, if you are under age 59½ at the time of a hardship withdrawal, you may also be liable to the IRS for a 10% early withdrawal tax penalty on the amount of the hardship withdrawal.

Taxability of Contributions and Distributions

You are not subject to federal income tax on any contributions made by you or your employer, or on any earnings thereon until you receive a distribution from the Plan.

FAST FACTS:

- **Your 401(k) Elective Contributions are redirected to your Individual Account before income taxes are deducted from your paycheck, thereby reducing your income taxes.**
- **Employer Contributions made to your account are not taxable to you until you receive a distribution.**
- **Rollover Contributions accepted into your Individual Account are not taxable to you until you receive a distribution.**
- **While your money is in your Individual Account, you do not pay taxes on any investment earnings.**
- **When you receive a distribution, you are required to pay income taxes on it unless you roll it over into an eligible retirement plan, such as an Individual Retirement Account (IRA).**
- **Some distributions are not eligible to be rolled over into an eligible retirement plan. Please refer to "Distributions Not Eligible for Rollover" on pages 18-19.**

Get Help From a Professional!

Tax laws are complex—consult with a professional tax advisor to discuss your personal financial situation before you take a distribution from the Plan

DO I PAY TAXES ON MY CONTRIBUTIONS?

Since the Plan is a tax-exempt trust and is a qualified 401(k) plan, you are not subject to current federal income taxes on your 401(k) Elective Contributions, your employer's contributions, your rollover contributions or on any investment earnings in your account.

However, the amount by which your pay is reduced for your Elective Contributions is subject to federal employment (Social Security and Medicare) taxes at the time it is set aside for contribution to the Plan. 401(k) Elective Contributions and Employer Contributions to your Individual Account may also be subject to state or local taxes in certain jurisdictions.

When the money in your account is distributed to you, it is generally subject to federal, state and local income taxes.

HOW DO I MINIMIZE PAYING TAXES ON A DISTRIBUTION FROM MY ACCOUNT?

If you are eligible to receive a distribution from your Individual Account balance, you will be given the opportunity to elect a "direct rollover" (i.e., a plan-to-plan transfer) of your balance to another eligible retirement plan as defined by law. Generally, an eligible retirement plan includes a traditional Individual Retirement Account (IRA) or another employer's tax-qualified retirement plan that will accept the transfer. If you directly roll over your account balance, you do not have to pay taxes on it until you receive a distribution from the eligible retirement plan.

If you wish to defer paying taxes on the distribution, you must elect to have your distribution transferred as a "direct rollover" from the Trustees of the Plan to the custodian of your traditional IRA or the trustee of your new employer's qualified retirement plan. If your distribution is not transferred directly to the custodian of your traditional IRA or the trustee of your new employer's qualified retirement plan, 20% of your distribution must automatically be withheld and forwarded to the Internal Revenue Service. You will receive a more detailed notice from Prudential Retirement concerning taxes, direct rollovers and withholdings when you apply for a distribution from the Plan.

If benefits are paid as a lump sum or in installments before you have reached age 59½, an additional 10% tax is applied as a penalty for receiving the benefit so early. This penalty may be avoided if the benefits are rolled over directly to a traditional IRA or other pension plan. Also, this additional tax is not charged if you receive benefits after age 55 if you have terminated from employment or you receive disability benefits at any age.

You will receive a detailed explanation of these rules at the time you apply for your benefits. You should seek professional tax advice when benefits are paid from your Individual Account.

IRS Form 1099-R

You will receive IRS Form 1099-R providing you with tax filing information for all distributions paid to you from the Plan. The form will be sent to you by January 31 following the year in which a payment was made. As required by law, a copy of the form will be forwarded to the Internal Revenue Service.

HOW DO I TRANSFER MY ACCOUNT BALANCE TO AN ELIGIBLE RETIREMENT PLAN?

You can rollover the payment of your Individual Account by paying it to your traditional IRA or to another plan that accepts your rollover within 60 days after you receive the payment. The amount rolled over will not be taxed until you take it out of the traditional IRA or plan.

When you apply for a distribution from your Individual Account, you will be given the option to accept a single lump sum payment and/or installment payments (subject to 20% withholding for federal income tax purposes) or transfer the balance to an eligible retirement plan.

If your distribution is not transferred directly to the custodian of your IRA or the trustee of your new employer's qualified retirement plan, 20% of your distribution must automatically be withheld and forwarded to the Internal Revenue Service.

To transfer your account balance, contact Prudential Retirement for the ***"Application for Distribution" (formerly Participant's Application for Distribution of Account Form E).*** This form can also be obtained by logging onto Prudential Retirement's website and clicking on the "Documents & Forms" tab in your account.

WHAT TYPES OF DISTRIBUTIONS ARE NOT ELIGIBLE FOR ROLLOVER TO AN ELIGIBLE RETIREMENT PLAN?

Generally, an "eligible rollover distribution" is any distribution of all or a portion of a lump sum distribution or installment payments for a period of less than 10 years made to a Participant, a Participant's Surviving Spouse or an Alternate Payee. All distributions from this Plan except for installment payments over a 10-year period are eligible rollover distributions.
Generally, you cannot roll over any distribution made:

- In a series of equal (or almost equal) periodic payments for
  - your lifetime (or your life expectancy);
  - your lifetime and your beneficiary's lifetime (or life expectancies); or
  - a period of ten years or more.
- as a lump sum distribution to your Beneficiaries;
- as a "required minimum payment" beginning initially on April 1st of the calendar year following the calendar year in which you reach age 70½;
- As a Hardship distribution.

The following Plan benefits and payments are NOT eligible rollover distributions:

- Installment payments to you for a period of 10 years.
- Any payments which are required minimum payments. NOTE: If you receive your account after starting to receive required minimum payments, only the portion that is a required minimum payment will NOT be an eligible rollover distribution. The balance will be an eligible rollover distribution.

DOES THE PLAN ACCEPT ROLLOVERS FROM OTHER ELIGIBLE RETIREMENT PLANS?

Yes. This Plan will accept eligible rollover distributions with respect to your account in a trustee-to-trustee transfer (checks will not be accepted as Eligible Rollover Distributions) from a qualified retirement plan (as defined by the Tax Code). It must be established to the satisfaction of the Trustees that the distribution is an "eligible rollover distribution" and that the distributing plan is an "eligible plan". If a rollover distribution is accepted by the Fund on your behalf and it is later determined that it was an invalid rollover contribution, the contribution plus any earnings will be returned to you.

The Trustees may ask you for proof that the rollover contribution is from a company-sponsored qualified retirement plan from which you were eligible to receive a distribution. Acceptable proof may include a copy of your request for a distribution from the other plan. In almost all cases, distributions from an Individual Retirement Account (IRA) are not eligible for rollover.

A rollover to the Plan will be credited to your Individual Account. Upon receipt of the rollover contribution, the money will be invested according to your current investment election. The rollover contribution must be invested in the same investment options that you have chosen for the investment of your Individual Account.

WHAT IF I APPLY FOR MY BENEFIT BEFORE I TURN 59½?

If benefits are paid as a lump sum or in installments **before** you have reached age 59½, an additional 10% tax is applied as a penalty for receiving the benefit so early. This penalty may be avoided if the benefits are rolled over directly to an IRA or other pension plan. However, this additional tax is not charged if you receive benefits after age 55 if you have terminated from employment or you receive disability benefits at any age.

You will receive a detailed explanation of these rules at the time you apply for your benefits.

There are, however, other exceptions to the 10% early distribution penalty. Your tax advisor can assist you in determining if one of the exceptions applies to your distribution.

Receiving Your Benefit

When you stop working, you're eligible to receive a distribution from your Plumbers Local Union No. 1 Employee 401(k) Savings Plan Individual Account.

FAST FACTS:

- **Typically, you will receive a distribution from your Individual Account when you have separated from service from the Plumbing industry and have satisfied a six-month waiting period, or immediately upon completing the application process upon retiring.**
- **Upon your death, your designated beneficiary will receive a distribution from your Individual Account.**
- **If your total Individual Account is $5,000 or less, your Individual Account will be paid in a lump sum payment only.**

WHEN CAN I RECEIVE MY BENEFIT?

You (or, in the case of your death, your beneficiary) may receive a distribution from your account when you:

- Terminate Employment in the Plumbing Industry
- Retire at age 55 or later
- Reach the age of 59½
- Are disabled
- Experience Financial "Hardship"

Terminate Employment in the Plumbing Industry

If you terminate employment in the plumbing industry, you may apply for a distribution of your Individual Account. You must have ceased work in covered employment or for any Employer contributing to this Plan for any of its employees for at least six months and demonstrate this to the satisfaction of the Trustees. The Trustees have the sole discretion to determine if you are terminated and entitled to benefits. Your Individual Account distribution will be payable to you no earlier than the first day of the seventh month after you have separated from employment.

You may also elect to defer the distribution of your account. As long as your money remains in your account, you will continue to earn (or lose) money on the investment options you've elected for your Individual Account.

However, you **MUST** receive a distribution from your Individual Account by April 1st following the year in which you turn age 70½.

Retirement

You are eligible to receive the distribution of your Individual Account when you retire. To be considered retired, you must:

- have separated from service; and
- have reached age 55.

Your Individual Account distribution will be payable to you as soon as it is administratively possible.

Reach the age of 59½

You are eligible to receive a distribution of your Individual Account when you reach the age of 59½ even if you are still working. Your Individual Account distribution will be payable to you as soon as administratively possible.

Disability

You are eligible to receive a distribution of your Individual Account if you become Totally and Permanently Disabled as determined by the Social Security Administration. Your Individual Account distribution will be payable to you as soon as administratively possible.

Experience Financial "Hardship"

You are eligible to receive a distribution of your Iindividual Account when you experience a financial hardship as defined on pages 15-16. Your Individual Account distribution will be payable to you as soon as administratively possible.

WHAT WILL BE THE AMOUNT OF BENEFIT I RECEIVE?

When you become eligible for payment of your benefit, you will receive the value of your Individual Account determined as of the date benefits are paid to you. The value of your Individual Account includes:

- your proportionate share of net gains attributed to your investment elections (investment gains less investment related fees);
- any 401(k) Elective Contributions that you make;
- any Employer Contributions that are made on your behalf;
- any Rollover Contributions received on your behalf.

This amount is decreased by:

- any benefits payments that have previously been made to you;
- your proportionate share of net losses in your investment selections;
- any plan fees that are charged to your account to cover out-of-pocket plan expenses.

HOW DO I RECEIVE MY BENEFIT?

To receive the distribution of your Individual Account, you'll need to complete am ***"Application for Distribution"*****.** This form can also be obtained by logging onto Prudential Retirement's website and clicking on the "Forms" tab in your account.

Complete the form and mail it to Prudential Retirement.

HOW IS MY BENEFIT PAID?

If, at the time of payment, your account is $5,000 or less, your account will be paid to you in a lump-sum. If at the time of payment your account is more than $5,000, you may choose to receive your account in one of the following ways:

- A single lump sum payment;
- In monthly installments over a period of time that you choose from two (2) years to ten (10) years; or
- In a combination of a lump sum and installment payments.

Partial distribution payments; You are permitted to take up to twelve (12) partial distribution payments during a twelve-month period free of charge.

Installment Option

If you choose to receive your Individual Account in Installment Payments, you may elect to receive monthly installments over a period of time that you choose that may not be less than two years or more than 10 years. The installment payments will be paid in equal monthly amounts calculated by dividing the balance of your Individual Account at the time of the first installment payment by the number of installments requested. Any increase or decrease in your Individual Account during the payment period as a result of investment gains, investment losses or fees will be reflected in the distribution of the final installment payment.

Your Individual Account balance includes:

- your 401(k) Elective Contributions to your account;
- your Employer's contributions to your account;
- Rollover Contributions, if any;
- net income earned or lost on these contributions;
- less any plan fees that are charged to your account to cover out-of-pocket Plan expenses;
- less any distributions you may have already received.

DO I LOSE THE MONEY IN MY ACCOUNT IF I STOP WORKING?

No. You are 100% vested in your accounts. The amount in your account (reduced by expenses properly allocated to your accounts and investment losses, if any) will be paid only to:

- you; or
- if you die, your surviving spouse or designated beneficiary, or if you don't have a surviving spouse or designated beneficiary, your children, your parents, your brothers and sisters or your estate (see "If You Die" on page 24); or
- your spouse, former spouse, child or other dependent under a Qualified Domestic Relations Order (QDRO).

Note, however, that it is possible to lose money in your account due to poor investment returns.

WHAT IF I DIE BEFORE I RECEIVE MY DISTRIBUTION?

See "If You Die" on page 24 for more information.

CAN MY BENEFIT BE ASSIGNED TO SOMEONE ELSE?

Your retirement benefits are intended for your personal financial security. They cannot be sold, borrowed against, garnished or attached in any way, subject to certain exceptions. If you serve as a fiduciary of the Plan, your benefits may be offset, within certain limitations, to pay for the damage caused to the Plan from your breach of fiduciary duty. In addition, the Plan is required by law to honor a QDRO to settle property rights, pay child support or pay alimony in a divorce. The Fund must also honor a federal tax lien against your benefits.

Life Events That May Affect Your Benefit

At certain times in your life, you may experience "events" that can affect your Plan benefit—such as marriage, divorce or stopping work.

FAST FACTS:

- **If you marry, your spouse is by law your beneficiary for your benefit. You may only name someone other than your spouse to be your beneficiary with your spouse's notarized written consent.**
- **If you divorce and your account is subject to a QDRO, your account will be divided between you and your ex-spouse, child, or other Alternate Payee according to the Order.**
- **If you die, your beneficiary will receive the distribution of your account balance.**

If You Move

If you move, keep in touch! Make sure you provide the Fund Office with your new address and contact information as soon as possible.

IF YOU MARRY

If you get married, your spouse is automatically your beneficiary for your Plan benefit. In order to name a beneficiary other than your spouse, your spouse must sign a written notarized consent. Special procedures may apply in the event that your spouse cannot be located.

IF YOU DIVORCE

If you divorce either before or after retirement, your spouse may be entitled to obtain a QDRO. Under the terms of a QDRO, certain payments could be made from your benefits to pay alimony, child support or marital property rights of your spouse, former spouse, child or other dependent.

IF YOU DIVORCE AND YOUR INDIVIDUAL ACCOUNT IS SUBJECT TO A QUALIFIED DOMESTIC RELATIONS ORDER

The Plan must honor QDROs properly submitted to the Plan and determined by the Plan to be qualified. A QDRO is an order, judgment or decree from a court that relates to the provision of child support, alimony payments or marital property rights and that assigns to a Participant's spouse, former spouse, child or other dependent (known as an "Alternate Payee") the right to receive all or a portion of the Participant's benefits payable under the Plan. The domestic relations order must be submitted to the Plan for determination of whether it is qualified. Upon the submission of the order, the Plan will provide to the Participant and Alternate Payee a copy of its written procedures for determining the qualification of a domestic relations order. The Plan may freeze all or a portion of the Participant's account if a distribution is requested while the qualification of a domestic relations order is pending, until the status of the order is determined.

You may obtain a copy of the Plan's Model QDRO or Plan procedures governing Qualified Domestic Relations Orders from Prudential Retirement without charge. If you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may appeal to the Trustees or file suit in Federal court.

IF YOU TERMINATE EMPLOYMENT IN THE PLUMBING INDUSTRY

If you terminate employment in the Plumbing Industry, you are eligible for distribution if no 401(k) Elective Contributions or Employer Contributions are made to your Account for a period of six consecutive months. If you actually retire, you will not be subject to this waiting period. You must complete an application form.

IF YOU ARE RECEIVING SOCIAL SECURITY BENEFITS

Your Plan benefits do not affect your entitlement to Social Security benefits. You are entitled to Social Security benefits independently.

IF YOUR SPOUSE DIES

If your spouse dies, you should contact Prudential Retirement to update your beneficiary information. If you do not update your beneficiary information, your account balance will be paid as described in the following section.

IF YOU DIE

Normally, your account balance will be paid in a lump sum to your Designated Beneficiary if you die before your account is distributed. If your designated beneficiary is your spouse and your account is greater than $5,000, your Spouse may defer the lump-sum death benefit payment to a future date, but not later than April 1 of the calendar year immediately following the calendar year in which you would have reached age 70½.

The Death Benefit is paid based on the last Beneficiary Designation received by Prudential Retirement before your death (or before the death of your Beneficiary if your Beneficiary is receiving benefits). If more than one Beneficiary is designated, they will share equally unless you specify otherwise.

If your Beneficiary dies while receiving benefits and further payments are due for periods after death, such payments shall be made to your Beneficiary's designated Beneficiary(ies).

If you fail to designate a Beneficiary or if all Designated Beneficiaries die or are invalidated and you die without having received your account balance, the account balance will be distributed in the following order:

(1) your surviving spouse *(or the surviving spouse of your Beneficiary if your Beneficiary is receiving benefits)*;
(2) your children *(or the children of your Beneficiary if your Beneficiary is receiving benefits)*;
(3) your parents *(or the parents of your Beneficiary if your Beneficiary is receiving benefits)*;
(4) your brothers and sisters *(or the brothers and sisters of your Beneficiary)*; or
(5) the personal representative of your estate (or the personal representative of your Beneficiary's estate if your Beneficiary is receiving benefits).

If there is more than one individual in a category, the benefit will be divided equally among them unless you state otherwise in your Beneficiary Designation.

If Death Benefits are payable to a minor, the Fund may pay the benefits to the person having custody or care of the minor and with whom the minor resides, subject to a written agreement by the recipient on behalf of the minor that such recipient shall apply the payments solely for the minor's support and comply with any other conditions established by the Trustees. Alternatively, the Trustees may make payment to a minor by depositing the amount in an insured bank account for the minor and giving notice to the minor.

Designating a Beneficiary

You should have a beneficiary designation form on file with Prudential Retirement. This form is available by calling Prudential Retirement or visiting Prudential Retirement's website.

You may designate one or more beneficiaries on the *“Beneficiary Designation Form ”* provided by Prudential Retirement. If you are married for at least one year, you must designate your Spouse as your sole beneficiary unless your Spouse consents in writing to the election of another beneficiary. You may change your beneficiary at any time by filing with the Fund a written change of beneficiary, with the consent of your Spouse, where necessary. A designation of beneficiary will become effective only upon its receipt by Prudential Retirement. The last effective designation received by Prudential Retirement prior to your death will supersede all prior designations. A designation of beneficiary will not be effective if the designated beneficiary dies before you.

You must complete the actual form provided by Prudential Retirement. No other form of designation may be used. Completion of forms for the Welfare Fund, ASB Fund, Plumbers & Pipefitters National Pension Fund, the United Association Burial Expense Benefit, or for any other benefit does not meet this requirement.

If you have not provided a designation of beneficiary form to the Plumbers Local Union No. 1 Employee 401(k) Savings Plan, you should do so without delay.

If There Is No Beneficiary

If you have not designated a beneficiary, or if your beneficiary is not living at the time of your death, your account will be paid as described on page 24.

Claims and Appeals Procedures

APPLYING FOR BENEFITS

Payment of benefits under this Plan is not automatic. You must apply for your benefits by completing one of the below listed forms provided by Prudential Retirement.

- Participant's Application for Distribution Form
  - Retirement
  - Attained Age 59 ½
  - Disability
  - Terminate Employment in the Plumbing Industry

- Hardship Withdrawal Request Form

- Beneficiary Claim Form

When you are ready to take a distribution from the Plan, you should contact Prudential Retirement in advance and request an application. You should complete the application and submit it to Prudential Retirement in advance of the date on which you want to receive the distribution. Normally, your Account will be paid to you no later than the sixtieth (60^{th}) day after the close of the Plan Year in which you reach Normal Retirement Age (65) or terminate your service with an Employer and retire. If you wish, however, you may elect to defer the payment of your benefit to no later than the April 1 of the calendar year following the year in which you reach age 70½. Since the Plan is designed for long-term savings, you may not under any conditions withdraw any portion of your Individual Account while you are working before you reach the age of 59½.

YOUR RIGHT TO WAIVE THE 30-DAY NOTICE PERIOD

You will be provided with a notice explaining these rules when you receive an eligible rollover distribution from the Plan. Generally, neither a direct rollover nor a payment can be made from the Plan until at least 30 days after your receipt of a notice. Thus, after receiving the notice, you have at least 30 days to decide whether to have your withdrawal directly rolled over. If you do not wish to wait until this 30-day period ends before your election is processed, you may waive the notice period by making an affirmative election indicating whether you wish to make a direct rollover. Your withdrawal will then be processed in accordance with your election as soon as practical after it is received by Prudential Retirement.

SURVIVING SPOUSES, ALTERNATE PAYEES AND OTHER BENEFICIARIES

In general, the rules summarized above that apply to payments to employees also apply to payments to surviving spouses of employees and to spouses or former spouses who are "alternate payees." As previously explained, an alternate payee means any person whose interest in the Plan results from a QDRO.

If you are a surviving spouse or an alternate payee, you may choose to have a payment that can be rolled over, as described above, paid in a DIRECT ROLLOVER to a traditional IRA or to an eligible plan or paid to you. If you have the payment paid to you, you can keep it or roll it over yourself to a traditional IRA or to an eligible plan. Thus, you have the same choices as the employee.

Beneficiaries other than surviving spouses or alternate payees may only choose a DIRECT ROLLOVER to an "Inherited IRA," and cannot roll over the payment themselves. Special rules apply to beneficiaries who roll over their distributions to Inherited IRAs. The Plan provides a Special Tax Notice Regarding Plan Payments to Non-Spouse Beneficiaries.

If you are a surviving spouse, an alternate payee or another beneficiary, your payment is generally not subject to the additional 10% tax described above, even if you are younger than age 59½.

If you are a surviving spouse, an alternate payee or another beneficiary, you may be able to use the special tax treatment for lump sum distributions. If you receive a payment because of the employee's death, you may be able to treat the payment as a lump sum distribution if the employee met the appropriate age requirements, whether or not the employee had five (5) years of participation in the Plan.

PAYMENT OF BENEFITS

Benefits will be paid effective on the date you indicate on your application, if all evidence required for the payment of your benefit, including a completed application, has been received by Prudential Retirement. The Effective Date of Benefits is the date designated by you or established after all information required for payment of benefits has been received by Prudential Retirement.

Under the law, the Effective Date of your benefits cannot be more than 180 days or less than 30 days after you are provided with an explanation and comparison of the different methods for payment of your benefit under the Plan. You can waive the 30-day waiting period in writing and receive your benefits earlier.

RIGHT TO APPEAL

After you file a claim for benefits, Prudential Retirement will generally notify you of its decision within 90 days after it receives the claim. However, if Prudential Retirement determines that special circumstances require an extension of time for processing the claim, Prudential Retirement will notify you, in writing and before the end of the initial 90-day period, that it will need additional time to decide the claim. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Prudential Retirement expects to decide your claim. Such date will not exceed 90 days from the end of the initial 90-day period.

If your application for benefits is denied in whole or in part, Prudential Retirement will provide you with a written notice which sets forth the reasons for the denial, references to any pertinent Plan provisions, a description of any additional material or information which might help your claim (including an explanation of why that information may be helpful), and a description of the appeals procedures and applicable filing deadlines.

If you receive such a notice, or if you disagree with a policy, determination or action of Prudential Retirement, you may submit a written appeal to the Trustees, requesting that the Board of Trustees review your benefit denial or the policy, determination or action with which you disagree. Your written appeal must be submitted within 180 days of receiving the notice of denial of benefits, or within 60 days after you learn of a Fund policy, determination or action with which you disagree and which is not a benefits denial.

Your written appeal should state the reason for your appeal. This does not mean that you are required to cite 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, or why you disagree with a

Fund policy, determination or action. You are permitted to submit written comments, documents, records and other information relating to your claim, even if such information was not submitted in connection with your initial claim for benefits. 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 receipt of your appeal, unless the Fund Office received your appeal within 30 days of the date of the meeting. In that 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 time for reviewing your claim, you will be notified in writing of the need for the extension. The notice will be provided prior to the commencement of the extension, describe the special circumstances necessitating the extension and set forth the date the Trustees will decide your appeal. Such date will not be later than the third meeting of the Trustees or Committee following the Fund Office's receipt of your appeal.

Once your claim has been reviewed and a benefit determination has been made, you will receive written notification of the decision within 5 days. The notice will explain the reasons for the decision, include specific references to Plan provisions on which the decision is based, indicate that you are entitled to request access to documents, records and other information relevant to your claim for benefits, and may state whether additional information may help your claim.

You may renew your appeal if you have any additional information or arguments to present. A renewed appeal must be submitted in writing and the rules and limits stated above apply. In connection with an appeal or a 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. Such information will be provided free of charge.

Your appeal should be sent to:

Board of Trustees for the Local Union No. 1 Employee 401(k) Savings Plan
50-02 Fifth Street, 2nd Floor
Long Island City, NY 11101

Important Information About Your Plan

OFFICIAL NAME OF PLAN

Plumbers Local Union No. 1 Employee 401(k) Savings Plan

TYPE OF PLAN

The Plan is a multiemployer profit sharing plan with a 401(k) feature that benefits both collectively and certain non-collectively bargained employees. The Plan provides for employee elective deferrals and employer contributions. The Plan is a self-administered, jointly trusteed labor-management trust fund.

THE PLAN YEAR

January 1 - December 31

INTERNAL REVENUE SERVICE PLAN IDENTIFICATION NUMBER

EIN No.: 13-3877439

PLAN NUMBER

003

TAX–QUALIFIED PLAN

The Plan has been qualified by the Internal Revenue Service, which means that the Plan has met the requirements of the Internal Revenue Code and therefore may receive tax advantages. This Plan is intended to comply with ERISA. For an explanation of your rights under ERISA, see page 32.

EMPLOYERS MAINTAINING THE PLAN / FUNDING SOURCE

Local 1 and Employers that sign collective bargaining agreements or other agreements requiring them to remit 401(k) Deferred Salary Contributions to the Plan are the Employers that maintain this Plan. Participants and beneficiaries may, upon written request, receive information as to whether a particular employer or employee organization is a sponsor of the Plan and the address of any such sponsor. Participants and beneficiaries may receive, upon written request, a copy of any collective bargaining agreement that provides for contributions to the Plan. Copies of all such agreements are also available for examination at the Fund Office.

PLAN ADMINISTRATION

The Plan is administered by a joint Board of Trustees with an equal number of Union and Employer representatives. The Plan was created according to a Trust Agreement that establishes the Trustees' duties and authority to administer the Plan.

THE NAME AND ADDRESS OF THE PLAN ADMINISTRATOR, THE FUND OFFICE AND THE PERSON DESIGNATED AS AGENT FOR SERVICE OF LEGAL PROCESS

Board of Trustees Local Union No. 1 Employee 401(k) Savings Plan
50-02 Fifth Street, 2nd Floor
Long Island City, NY 11101

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

ALL CORRESPONDENCE OR INQUIRIES TO THE PLAN OR THE TRUSTEES SHOULD BE ADDRESSED TO THE FUND OFFICE AT THE FOLLOWING ADDRESS:

Board of Trustees Local Union No. 1 Employee 401(k) Savings Plan
50-02 Fifth Street, 2nd Floor
Long Island City, NY 11101

Phone Number: (718) 835-2700
Fax Number: (718) 641-8155

Normal Business Hours: 8:00 am to 4:30 pm Monday - Friday

Although the Plan is administered by the Board of Trustees, the Trustees have designated Prudential Retirement and a Custodian to process the investments of your Individual Accounts. The contact information for Prudential Retirement is:

Prudential Retirement
30 Scranton Office Park
Scranton, PA 18509

Phone Number: 1-877-PRU-2100 (1-877-778-2100)

Normal Business Hours: 8:00 am to 9:00 pm ET Monday - Friday

The Custodian is Prudential Bank & Trust, FSB

PLAN INVESTMENT ADVISORS

The Board of Trustees has designated the following firm as the Plan's Investment Advisor. Meketa Investment Group is responsible for consulting and advisory services with respect to the Plan's investment selections.

Retirement Plan Consulting and Advisory Services (Investment Selection)
Meketa Investment Group 100 Lowder Brook Drive, Suite 1100 Westwood, MA 02090

EXPENSES OF THE PLAN

Expenses that are incurred by the Fund in connection with a particular investment option will be determined and charged to accounts proportionately based on the total funds in each investment option and the amount invested by each participant in each investment vehicle.

Other expenses of the Plan, including Prudential Retirement expenses, custodian fees and other administrative fees which represent out-of-pocket costs, are paid from the Trust and charged to all accounts on a uniform per-participant basis.

Payroll administrative costs associated with the Fund are absorbed by each employer to the extent that these costs are incurred by each employer with respect to its own payroll.

PLAN AMENDMENTS OR MERGER

The Trustees have complete discretion to amend or modify the Plan and any of its provisions, in whole or in part, at any time. No amendment, however, will reduce any accrued benefit.

The Trustees also have authority to merge this Plan with another plan, however, they may not do so unless each Participant's benefit accrued under this Plan is protected and not reduced as a result of the merger.

PLAN TERMINATION

The Plan may be terminated by a document in writing adopted by the Trustees. If the Plan is terminated, no part of the assets or income of the Plan will be used for purposes other than for the exclusive benefit of the Employees and the Beneficiaries or the administrative expenses of the Plan. Under no circumstances will any portion of the Fund revert to the benefit of any contributing Employer, the Association or the Union either directly or indirectly.

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

The Trustees will make a reasonable effort to contact every Participant or, if the Participant is deceased or cannot be located, the Participant's Beneficiary. If a Participant cannot be located or does not make a claim for payment of his Individual Account within a period established by the Trustees that is at least 90 days following notice by registered mail to the Participant's last known address, the Trustees will place that Participant's Individual Account in a federally insured savings account. The names of these individuals for whom an account is established will be available for reference with the Union.

PBGC INSURANCE DOES NOT APPLY

The Pension Benefit Guaranty Corporation (PBGC), a U.S. government corporation, insures defined benefit pension plans. It does not provide insurance for this Plan because it is a defined contribution plan.

Your ERISA Rights

As a participant in the Plumbers Local Union No. 1 Employee 401(k) Savings Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

You may examine, without charge, at the Fund Office and at other specified locations, such as worksites and union halls, all Plan documents, including 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. You may make arrangements to see the documents by calling or writing the Fund Office.

You have the right to obtain copies of all Plan documents and other Plan information upon written request. The Fund Office may make a reasonable charge for the copies.

You may also receive a summary of the Plan's annual financial report. The Fund Administrator, by law, has to give you a copy of this summary report every year.

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 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 review and reconsider your claim. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and impose a fine on the Administrator 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 for which it is denied or ignored, in whole or in part, you may file suit in a state or Federal court. If it should happen that Plan Fiduciaries misuse the Plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in 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 Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator or the Trustees. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, 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 Employee Benefits Security Administration.

Information About Your Plan Investments

In addition to the information described above, you are entitled to receive an explanation that the Plan is a plan described in Section 404(c) of ERISA and that the Trustees of the Plan are not liable for any losses that are the result of the investment choices you make. You are also entitled to a description of various investment alternatives available under the Plan, a general description of each alternative, information concerning the identity of the investment managers and an explanation of the circumstances in which you may give investment instruction concerning your Individual Account including any restrictions.

PLUMBERS LOCAL UNION NO. 1 EMPLOYEE 401(k) SAVINGS PLAN AUTOMATIC CONTRIBUTION NOTICE

The Plumbers Local Union No. 1 Employee 401(k) Savings Plan makes saving for retirement easier by offering an automatic contribution feature for your elective contributions. The automatic contribution feature won't change your contribution percentage if you have already turned in an **Employee Deferral Election Form B** (*Election Form B*). A copy of this Form is available at www.ualocal1funds.org or by calling the Fund Office at (718) 835-2700..

In addition to your elective contributions, your employer contributes a fixed amount per hour as established by the Collective Bargaining Agreement between Plumbers Local Union No. 1 and your Employer. This amount will be contributed for each hour you work in employment covered by the Collective Bargaining Agreement regardless of the rate at which you make your elective contributions or whether you make elective contributions at all.

The automatic contribution feature will not change your elective contribution level if you have submitted *Election Form B* to your Employer electing the level of your contributions to the Plan or electing not to contribute. Your earlier election will continue to be followed so long as you work for the same Employer. If you leave one Employer and begin working for another Employer (including an Employer for whom you have previously worked), you will be required to submit a new *Election Form B* to your new Employer if you wish to contribute a greater or lesser percentage than the automatic 1% contribution amount.

You can also change your contribution percentage by submitting a new *Election Form B* to your Employer. You may change your contribution percentage for the first monthly payroll period each month provided that your Employer receives *Election Form B* at least thirty (30) days prior to the applicable month.

If you have not submitted *Election Form B* to your current Employer to elect a contribution percentage, you will be automatically enrolled in the Plan starting with your first paycheck with each Employer. This means that amounts will be taken from your pay and contributed to the Plan. The automatic contributions will be 1% of your eligible pay each pay period. But, as described above, you can choose to contribute a different amount. You can choose to contribute more, less or nothing at all.

This Notice gives you important information about some Plan rules, including the Plan's automatic contribution feature, which is also described throughout this SPD The Notice covers these points:

- **Whether the Plan's automatic contribution feature applies to you;**
- **What amounts will be automatically taken from your pay and contributed to the Plan;**
- **What other amounts your Employer will contribute to your Plan account;**
- **How your Plan account will be invested;**
- **When your Plan account will be vested (that is, not lost when you leave your job), and when you can get your Plan account; and**
- **How you can change your contributions.**

1. Does the Plan's Automatic contribution feature apply to me?

The Plan's automatic contribution feature will not apply to you if you have already elected *(by turning in Election Form B to your Employer)* to make contributions to the Plan or have elected not to contribute. If you made an election, your contribution level will not change while you remain working for the same Employer. If you leave one Employer and begin working for another Employer (including an Employer for whom you have previously worked), the automatic 1% contribution will again apply to you and you will be required to submit a new *Election Form B* to your new Employer if you wish to contribute a greater or lesser percentage than the automatic 1% contribution amount. You can always change your contribution level by turning in a new contribution form (*Election Form B*) to your Employer.

If you have not elected a contribution level, you will be enrolled in the Plan starting with your first paycheck for each new Employer. This means that money will be automatically taken from your pay and contributed to your Plan account. If you do not want to be enrolled, you need to turn in the enclosed contribution *Election Form B* to your Employer.

2. If I do nothing, how much will be taken from my pay and contributed to the Plan?

If you do not turn in a completed contribution form (Form B) to your new Employer on the date you are first employed, 1% of your gross pay for each pay period will be taken from your pay and contributed to the Plan. This will start with your first paycheck with each new Employer and will continue as long as you work in employment covered by the Plan. Unless you turn in a completed contribution form (*Election Form B*) to your employer choosing a different amount or choosing not to contribute. To learn what is eligible pay from which 1% is taken, you can review page 11 of this SPD.

Your contributions to the Plan are taken out of your pay and are not subject to federal income tax at that time. Instead, they are contributed to your 401(k) Plan account and can grow over time with earnings. Your account will be subject to federal income tax only when withdrawn. This helpful tax rule is a reason to save for retirement through contributions to your 401(k) Plan account.

Contributions will be taken out of your pay if you do nothing. But you are in charge of the amount that you contribute. You may decide to do nothing and become automatically enrolled, or you may choose to contribute an amount that better meets your needs. You can change your contributions by turning in a new contribution form (*Election Form B*) to your Employer.

If you want to contribute more to your 401(k) Plan account than would be contributed automatically, there are limits on the maximum amount. These limits are described on pages 4 and 11 of this SPD.

3. In addition to the contributions taken out of my pay, what amounts will my Employer contribute to my 401(k) Plan account?

Besides forwarding the amounts taken from your pay, your Employer will make other contributions to your 401(k) Plan account. Your employer contributes a fixed amount per hour as established by the Collective Bargaining Agreement between Plumbers Local Union No. 1 and your Employer. This amount will be contributed for each hour you work in employment covered by the Collective Bargaining Agreement regardless of the rate at which you make your elective contributions or whether you make elective contributions at all.

4. How will my 401(k) Plan account be invested?

The Plan lets you invest your account in a number of different investment funds. Unless you choose a different investment fund or funds, your 401(k) Plan account as well as your Employer Contribution account will be invested in the applicable Vanguard Target Retirement Funds. The Vanguard Target Retirement Fund in which your account will be invested will be determined by your year of birth. The presumed Target Retirement Date will be age sixty-five (65). The Plan offers six (6) Vanguard Target Retirement Funds.

To determine which qualified default investment alternative in which your account will be invested, refer to the chart below. The chart references your year of birth and the corresponding Vanguard

Target Retirement Fund for your investment allocation.

Assumed Time to Retirement

(Year of Birth)	Target Retirement Fund
(1993 or later)	**2065**
(1983-1992)	**2055**
(1973-1982)	**2045**
(1963-1972)	**2035**
(1953-1962)	**2025**
(1943-1952)	**2015**
(Prior-1943)	**Income Fund**

The Vanguard Target Retirement Date Funds are model portfolios designed to provide varying degrees of long-term appreciation and capital preservation through a mix of equity and fixed income exposures based on a participant's age and target retirement date. Each Vanguard Target Date Fund's portfolio changes the asset allocation and associated risk level over time with the objective of becoming more conservative (i.e., decreasing risk of losses) with increasing age.

A notice regarding the Qualified Default Investment Alternatives (QDIA) is provided below and will be provided annually in subsequent years. Also, additional information regarding all of the Plan's investment options is available in the enrollment kit. You can change how your 401(k) Plan account is invested, among the Plan's offered investment funds, by contacting the Prudential Retirement. Prudential Retirement information is listed on Question & Answer No. 7 of this notice and page 2 of this SPD. You may also complete an "Investment Selection Form C" and return it to Prudential Retirement for processing your new investment selections.

To learn more about the Plan's investment funds and procedures for changing how your 401(k) Plan account is invested you can review pages 8 and 9 of this SPD. Also you can contact the Fund Office.

5. When will my 401(k) Plan account be vested and available to me?

You will always be fully and immediately vested in your 401(k) Plan account including both the contributions you elect to make and the contributions made by your Employer. To be fully vested in your 401(k) Plan account means that the contributions (together with any investment gain or loss) will always belong to you, and you will not lose them when you leave your job. For more information, refer to pages 19 to 21 of this SPD.

Even if you are vested in your Plan account, there are limits on when you may withdraw your funds. These limits may be important to you in deciding how much, if anything, to contribute to the Plan. Generally, you may only withdraw vested money after you stop working for any Employer contributing to the Plan, reach age 59½ or become disabled. Also, there is an extra 10% tax on distributions before age 59½. Your beneficiary can get any amount remaining in your 401(k) Plan account when you die.

You may also take out certain amounts from your Plan account if you have a hardship as defined by the Plan. Hardship distributions are limited to a portion of the dollar amount of your contributions. They may not be taken from earnings or Employer contributions. Hardship distributions must be for a specified reason—for qualifying medical expenses, costs of purchasing your principal residence (or preventing eviction from or foreclosure on your principal residence, or repairing qualifying damages to your principal residence), qualifying post-secondary education expenses, or qualifying burial or funeral expenses. Before you can take a hardship distribution, you must have taken other permitted withdrawals and loans from other sources including other employee benefit plans. If you take a hardship distribution, you may not contribute to the 401(k) Plan for six (6) months.

You can learn more about the Plan's hardship withdrawal rules on pages 14 and 15 of this SPD. You can also learn more about the extra 10% tax in IRS Publication 575, *Pension and Annuity Income.*

6. Can I change the amount of my contribution?

You can always change the amount you contribute to the 401(k) Plan. If you know now that you do not want to contribute to the 401(k) Plan (and you haven't already elected not to contribute), you will want to turn in *Election Form B* to your Employer electing zero (0) contributions no later than the first day of your employment. That way, you avoid any automatic contributions.

But if you do not turn in *Election Form B* in time to prevent automatic contributions, you may cancel the automatic contribution amount of your wages provided you file Form B with your Employer. The cancellation will be effective no earlier than the first day of the month following a 30 day period after receipt of *Election Form B* cancelling the automatic contributions.

7. Questions?

If you have any questions about how the 401(k) Plan works or your rights and obligations under the Plan, or if you would like a copy of Plan documents, please contact the Fund Office:

The day-to-day operations of the Plan are carried out by the Joint Plumbing Industry Board (Fund Office) and Prudential Retirement at the following addresses:

FUND OFFICE	Prudential Retirement
Joint Plumbing Industry Board 50-02 Fifth Street, 2nd Floor Long Island City, NY 11101 (718) 835-2700	**Prudential Retirement** **1-877-PRU-2100.**
Normal Business Hours: **8:00 a.m. to 4:30 p.m. Monday – Friday**	**Participant service representatives are available Monday through Friday, 8 a.m. to 9 p.m. ET.**
Participant Website: **www.ualocal1funds.org**	**Participant Website: UA1@retirepru.com**

2018 QUALIFIED DEFAULT INVESTMENT ALTERNATIVE NOTICE

This notice is required to be distributed to Plan Participants and Beneficiaries of deceased Participants that have not chosen an investment allocation of their individual account in The Plumbers Local Union No. 1 Employee 401(k) Savings Plan. If you have made an Investment election with respect to your individual account, the following information may not apply to you.

Right to Direct Investments:

This notice advises you that as a Participant (including a Beneficiary of a deceased Participant) in the Plan, you have the right to direct the investment of your individual account in the Plan. You may invest your individual account in any of the investment choices offered in the Plan. Your elections must be in whole percentages (no fractional percentages).

Qualified Default Investment Alternative:

If you are a Participant (including a Beneficiary of a deceased Participant) in the Plan and have ***not*** made an election as to how your individual account should be invested, your individual account in the Plan will be invested in the Plan's qualified default investment alternative ("QDIA") that the Board of Trustees has selected.

The QDIA is the applicable Vanguard Target Retirement Funds (Trust II Series) for each Participant. The Vanguard Target Retirement Fund in which your account will be invested is determined by your year of birth. The presumed Target Retirement Date will be age sixty-five (65). The Plan currently offers six (6) Vanguard Target Retirement Funds.

To determine which qualified default investment alternative your account will be invested in, please refer to the chart below. The chart references your year of birth and the corresponding Vanguard Target Retirement Fund for your investment allocation.

Qualified Default Investment Alternative Based on Year of Birth

Year of Birth	Target Retirement Date Fund
1993 or later	2065
1983-1992	2055
1973-1982	2045
1963-1972	2035
1953-1962	2025
1943-1952	2015
Prior-1943	Target Income Fund

The Vanguard Target Retirement Date Funds are model portfolios to provide varying degrees of long-term appreciation and capital preservation through a mix of equity and fixed income exposures based on a participant's age and target retirement date. Each Vanguard Target Date Fund's portfolio changes the asset allocation and associated risk level over time with the objective of becoming more conservative (i.e., decreasing risk of losses) with increasing age.

Each Vanguard Target Date Fund is designed to gradually and automatically shift to more conservative investments over time as the specific Target Retirement Date for each Fund approaches. No matter what your age, you'll be invested appropriately given your retirement time horizon. Each of the Target Retirement Funds is a complete investment package, so any one can serve as your entire portfolio.

If you believe that a Target Retirement Fund with an earlier or later Target Retirement Date or one of the other investment options would better meet your investment objectives, you may change your investment allocation at any time.

As an ongoing commitment to you as Plan Participants, the Board of Trustees has Prudential Retirement to give you investment education services regarding your individual account in the Plan. If you would like to use this service, please contact Prudential Retirement at 1-877-PRU-2100 and ask about the GoalMaker service.

If you would like to make investment transfers in your account, you can do so by:

- Calling Prudential Retirement at 1-877-PRU-2100.
- Visiting the Prudential Retirement website at UA1.retirepru.com
- Completing and mailing "Allocation Selection Form to Prudential Retirement at the address listed on the form. You may obtain a copy of the form by contacting Prudential Retirement at 1-877-PRU-2100.

Description of Qualified Default Investment Alternative and Other Investment Options:
The description of the qualified default investment alternatives and other investment options available in the Plan including investment strategy, risk and return characteristics, and fees and expenses are shown on the attached Fund Fact Sheets. You can obtain Fund Fact Sheets from Prudential Retirement by logging onto the Plan's website, UA1.retirepru.com, or by calling the toll-free Plan participant number 1-877-PRU-2100.

Right to Alternative Investment:
If the Plan Trustees invest some or all of your individual account in the qualified default investment alternative, you have the continuing right to direct the investment of your individual account in one or all of the investment options available to you under the Plan. You are entitled to invest in any of the alternative investment choices without incurring a financial penalty.

Additional Information about the Plan:
Participation in the Plan is automatic at 1% of your gross hourly wages. You may elect to contribute *additional dollars* to your 401(k) Elective Contribution Account by making additional pre-tax contributions of your pay through payroll deduction. You are permitted to contribute up to 75% of your gross hourly wages (up to the maximum dollar amount of $18,500 prescribed by law) to your account. Also, if you become or are age 50 years old or older in 2018, you are able to contribute additional pre-tax contributions of $6,000. To do so, you must elect to contribute an additional portion of your pre-tax pay into the Plan.

You have the right not to have Elective Contributions made to the Plan or to have Elective Contributions made at a different percentage. If you would like to change the amount you currently are contributing into the Plan, please contact the Fund Office to obtain the "**Deferral Election Form B**" (*Election Form B*) and return it to your Employer for processing.

NOTES