Cement Masons & Plasterers Trust Funds

Physical Address: 7525 SE 24th Street, Suite 200, Mercer Island, WA 98040 • Mailing Address: PO Box 34203, Seattle, WA 98124
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Administered by
Welfare & Pension Administration Service, Inc.

March 15, 2019

To: All Participants of the Alaska Trowel Trades Pension Trust

RE: Merger of Alaska Trowel Trades Pension Trust into Cement Masons and Plasterers Retirement Trust Effective April 1, 2019—Changes to Benefits

The Board of Trustees ("Trustees") of the Cement Masons and Plasterers Retirement Trust is pleased to announce the successful merger with the Alaska Trowel Trades Pension Trust, which will be completed effective April 1, 2019. The Trustees would like to welcome you into the Cement Masons and Plasterers Retirement Trust.

As a result of the merger many of your retirement plan provisions will change, nearly all for the better and with no reductions to benefits you have already accrued. Specifically, following the merger, if you earn hours: the rate at which you earn benefits will increase by nearly 17%; you will have access to lower early retirement reductions (including unreduced) on post-merger accruals; there will be no reduction in your benefits for your age if you qualify for disability retirement benefits; and your beneficiary(ies) will receive additional preretirement death benefits whether you are married or not.

Attached is a detailed notice describing the Plan changes and a quick reference chart summarizing the changes. Also included is the current Plan Booklet for the Cement Masons and Plasterers Retirement Trust. This Plan Booklet is currently being restated to reflect the merger and other changes that have been made to the Plan. The Trustees intend to issue a fully updated Plan Booklet before the end of the year.

Retired Participants: If you are already retired and receiving benefits from the Alaska Trowel Trades Pension Plan, your benefits will **not** be affected by this change, *unless you return to work and earn additional service after March 31, 2019*. However, your benefits will be administered and paid by the Cement Masons and Plasterers Retirement Trust.

Other Participants: If you are not yet retired, your accrued benefit earned prior to April 1, 2019 will be preserved following the merger. Any accrued benefit earned on and after April 1, 2019 will be determined under the Cement Masons and Plasterers Retirement Plan, as amended effective April 1, 2019. Your benefits will be administered and paid by the Cement Masons and Plasterers Retirement Trust.

If you have any questions regarding these materials, please call Tammy at (800) 732-1121 ext. 3203.

Sincerely,
Board of Trustees, Cement Masons and Plasterers Retirement Trust

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IMPORTANT NOTICE

March 15, 2019

To: All Participants of the Alaska Trowel Trades Pension Trust

From: Board of Trustees
Cement Masons and Plasterers Retirement Plan

RE: Merger of Alaska Trowel Trades Pension Trust into Cement Masons and Plasterers Retirement Trust Effective April 1, 2019—Changes to Benefits

➢ IMPORTANT ➣

This Notice <u>only</u> applies to you if you are a participant in the Alaska Trowel Trades Pension Plan on March 31, 2019, and you do not incur a permanent break in service before vesting.

Effective April 1, 2019, the Alaska Trowel Trades Pension Trust ("**Alaska Trust**") is merging into the Cement Masons and Plasterers Retirement Trust ("**Washington Trust**"). This means that effective April 1, 2019, benefits will be provided by the Washington Trust based on its Plan of benefits as described in this Notice. The expectation is that the merged Plan will be better funded and more cost effective to maintain. This Notice provides a detailed explanation of the changes being made as a result of the merger. Attached is a quick reference summary chart which describes these changes.

Retired Participants: If you are already retired and receiving benefits from the Alaska Trowel Trades Pension Plan ("**Alaska Plan**"), your benefits will **not** be affected by this change, *unless you return to work and earn additional service after March 31, 2019*. However, your benefits will be administered and paid by the Washington Trust, not the Alaska Trust.

Other Participants: If you are not yet retired, your accrued benefit for Hours of Service prior to April 1, 2019 ("**pre-merger accrual**") will be preserved following the merger. The accrued benefit for Hours of Service on and after April 1, 2019 ("**post-merger accrual**") will be determined under the Cement Masons and Plasterers Retirement Plan ("**Washington Plan**"), as amended effective April 1, 2019 to address the merger with the Alaska Plan. Your benefits will be administered and paid by the Washington Trust, not the Alaska Trust.

Summary of Plan Provisions and Changes Made Effective April 1, 2019

The following chart summarizes some of the differences between the Alaska Plan and the Washington Plan, and the changes that will occur as a result of the April 1, 2019 merger. The following rules only apply to you if you are a participant in the Alaska Trowel Trades Pension Plan on March 31, 2019 and you do not incur a permanent break in service before vesting: The changes are explained in more detail in the attached Notice. You should consult your benefit booklets and this Notice for details.

Plan Provision	Alaska Plan	Washington Plan	Post-Merger
Plan Year:	July 1 - June 30	April 1 - March 31	April 1 - March 31, subject to a transition period described in the Notice.
Year of Service:	400 or more Hours of Service in a plan year ("**400 Hour Rule**"); or alternatively 750 Hours of Service in 2 consecutive plan years ("**750 Hour Rule**"), with no more than 1 Year of Service in any plan year. The 400 Hour Rules and 750 Hour rule are collectively referred to as the "**400/750 Hour Rules**."	Effective April 1, 2019, 400 or more Hours of Service in a plan year ("**400 Hour Rule**"), with no more than 1 Year of Service in any plan year.	• ***Vesting***: 400/750 Hour Rules used to determine Year of Service for vesting in both pre-merger and post-merger accrual. • ***Early Retirement/ Special Early Retirement***: 400/750 Hour Rules used to determine Year of Service for Early Retirement eligibility for pre-merger accrual; 400/750 Hour Rules apply until March 31, 2021 and only the 400 Hour Rule applies thereafter to determine Year of Service for Early Retirement and Special Early Retirement eligibility on post-merger accrual. • ***Disability Retirement***: 400/750 Hour Rules used to determine Years of Service until March 31, 2021 and only the 400 Hour Rule applies thereafter to determine Disability Retirement eligibility for both pre-merger and post-merger accrual. • ***Special Survivor Benefit/Lump Sum Death Benefit***: 400/750 Hour Rules used to determine Year of Service until March 31, 2021, and only the 400 Hour Rule applies thereafter to determine Year of Service for Special Survivor Benefit eligibility (payable on post-merger accrual only), and Lump Sum Death Benefit eligibility.

Plan Provision	Alaska Plan	Washington Plan	Post-Merger
Benefit Accrual:	1% of contributions up to a maximum contribution rate of $6.50.	1.7% of contributions up to a maximum contribution rate of $4.47 for Cement Masons, $4.06 for Plasterers, and $2.75 for Residential.	Alaska Plan's accrual rate applies to pre-merger accrual. Washington Plan's accrual rate applies to post-merger accrual.
Normal Retirement:	Age 62 with 5 Years of Service; or 5th anniversary of participation.	Age 63 with 5 Years of Service and 1 year of Credited Future Service; or 5th anniversary of participation.	Alaska's Plan rules apply to pre-merger accrual; Washington Plan's rules apply to post-merger accrual.
Early Retirement:	Age 50 with 10 Years of Service.	Age 55 with 10 Years of Service including one year of Credited Future Service.	Alaska's Plan's Early Retirement will apply to pre-merger accrual; Washington Plan's Early Retirement will apply to post-merger accrual.
Unreduced Special Early Retirement:	None.	Age 55 with 30 Years of Service and at least 500 Hours of Service in each of 3 of 5 plan years before retirement.	Special Early Retirement paid on post-merger accrual only; Year of Service is determined the same as for Early Retirement.
Late Retirement:	Benefit is the accrued benefit to Normal Retirement Date plus benefits accrued after that date, paid retroactively to later of Normal Retirement Date or month following month in which 40 or more Covered Hours of Employment were no longer worked.	Monthly benefit is increased ½ of 1% for each month benefits are postponed after the Normal Retirement Date due to work in covered service, paid retroactively to later of Normal Retirement Date or first of month following termination of covered service.	Alaska Plan rules apply to pre-merger accrual; Washington Plan rules apply to post-merger accrual.
Disability Retirement:	Reduced Normal Retirement benefit. Must: be Active and at least age 40; have 10 years of Credited Service or 9,000 Covered Hours of Employment (5 years or 4,500 hours if disabled on the job); and have a Social Security disability benefit.	Unreduced if 10 Years of Service; reduced if 5 Years of Service. Must have 10 Years of Service, or 5 Years of Service and: be between ages 55 and 63; have a Social Security disability benefit; have a disability that continued at least six months; and have 750 Hours of Service in the last 3 consecutive plan years before the Social Security disability date.	Alaska Plan rules apply if disability retirement application is received before April 1, 2019; Washington Plan rules apply to both pre-merger and post-merger accrual if disability retirement application is received on or after April 1, 2019.
Forms of Payment:	• Life annuity • Life annuity with 60, 120, or 180-month guarantee • 50%, 75%, 100% spouse option w/o pop-up • 50%, 75%, 100% spouse option with pop-up	• Life annuity with 36-month guarantee • 50%, 75%, 100% spouse option with pop-up • 50%, 75%, 100% contingent beneficiary option w/o pop-up	Alaska Plan's forms of payment apply to retirement date before July 1, 2019. The following forms apply to retirement dates on and after July 1, 2019: • Life annuity (for pre-merger accrual only) • Life annuity with 36-month guarantee • Life annuity with 120 or 180-month guarantee (for pre-merger accrual only) • 50%, 75%, 100% spouse option with pop-up • 50%, 75%, 100% contingent beneficiary option w/o pop-up.

Plan Provision	Alaska Plan	Washington Plan	Post-Merger
Preretirement death benefits:	Spousal portion of 50% joint and survivor option payable to surviving spouse of vested participant.	• 50% of accrued benefit amount payable to surviving spouse, or if none, to minor children of a vested participant who had: (1) 10 Years of Service and 750 Hours of Service in last 3 consecutive plan years prior to death; or (2) 10 Years of Service and was at least age 55 at time of death; or • Spousal portion of 50% joint and survivor option payable to surviving spouse, with additional actuarial adjustment if benefits commence prior to the participant's earliest retirement date; or • A lump sum equal to the amount of the accruing contributions required to be made on behalf of the participant (other than Individual Account contributions) payable to the beneficiary of a participant who was vested with 5Years of Service, including at least 1 year of Credited Future Service.	Washington death benefit options are available for both the pre-merger accrual and the post-merger accrual. The accrued benefit, earliest retirement date, Early Retirement reduction factors, and actuarial equivalence are determined under the Alaska Plan for the pre-merger accrual and under the Washington Plan for the post-merger accrual. A Year of Service must be earned on or after April 1, 2019 in the Washington to qualify for the Lump Sum Death Benefit. The Lump Sum Death Benefit does not include contributions due to the Alaska Plan for any plan year in which a benefit did not accrue under that Plan.
Suspension of Benefits:	*See* "Re-Employment after Retirement."	*See* "Re-Employment after Retirement."	Alaska Plan rules apply to pre-merger accrual; Washington Plan rules apply to post-merger accrual.
Individual Account Benefit:	None	3-year vesting; accounts are funded with a portion of the hourly contributions and credited with interest pursuant to the plan.	None. Trustees have not allocated contributions to fund Individual Accounts for participants working under Alaska bargaining agreements. However, vesting credited is provided.

PARTICIPATION

If you are a participant in the Alaska Plan on March 31, 2019, you will become a participant in the Washington Plan effective April 1, 2019 and this Notice applies to you. (An Alaska Plan participant includes Actives Participants, Inactive Participants, Terminated Vested Participants, Nonvested Former Participants who have not incurred a permanent forfeiture, who had contributions due to the Alaska Plan for Covered Hours of Employment worked in March 2019, and retirees.)

If you permanently forfeited all covered service and Years of Service in the Alaska Plan as of March 31, 2019, this Notice does *not* apply to you. In order to become a participant in the Washington Plan you must return to covered service and your participation and benefits will be determined solely under the terms of the Washington Plan.

CHANGE IN PLAN YEAR

The plan year for the Alaska Plan is July 1 through June 30. Effective April 1, 2019, this will change to the plan year used by the Washington Plan which is April 1 through March 31. However, there will be a transition from July 1, 2018 through March 31, 2020 during which the following periods will be considered "plan years" when used in this Notice:

Transitional Plan Years
July 1, 2018 through June 30, 2019
April 1, 2019 through March 31, 2020

The Hours of Service from April 1, 2019 through June 30, 2019 will be counted in both transitional plan years for purposes of determining whether there is a Year of Service. However you do not accrue a benefit on duplicate hours.

YEAR OF SERVICE

Alaska Plan Rule for Year of Service

Under the Alaska Plan, you earn one Year of Service for 400 or more Hours of Service in a plan year ("**400 Hour Rule**"). Alternatively, you earn two Years of Service for 750 or more Hours of Service in two consecutive plan years, including at least one Hour of Service in each of the two plan years ("**750 Hour Rule**"). You may not earn more than one Year of Service for any plan year.

Washington Plan Rule for Year of Service

Effective April 1, 2019, you earn a Year of Service under the Washington Plan for 400 or more Hours of Service in a plan year ("**400 Hour Rule**").

Post-Merger Changes to Year of Service

If you are a participant in the Alaska Plan on March 31, 2019, and you do not incur a permanent break in service before vesting, the 400 Hour Rule and 750 Hour Rule (collectively referred to as the "**400/750 Hour Rules**") will continue to be used to determine whether you are vested or have a break in service in both your pre-merger accrual and post-merger accrual. Refer to the sections on "Vesting" and "Break in Service" for details. The 400/750 Hour Rules will also generally be used to determine whether certain service requirements are satisfied under the Alaska Plan for your pre-merger accrual.

The 400 Hour Rule used by the Washington Plan will be used to determine whether certain service requirements (other than vesting and a break in service) are satisfied for the post-merger accrual. Except as otherwise provided in this Notice, the pre-merger and post-merger Hours of Service will be combined in calculating a Year of Service.

VESTING

Alaska Plan Vesting

Under the Alaska Plan, you are vested and eligible for benefits on your Normal Retirement Date if you earn five Years of Service without a permanent break in service. The 400/750 Hour Rules are used to determine a Year of Service.

Washington Plan Vesting

Under the Washington Plan, you are vested and eligible for benefits on your Normal Retirement Date if you earn five Years of Service without a permanent break in service, including at least one year of Credited Future Service. The 400 Hour Rule is used to determine a Year of Service.

Post-Merger Vesting Rule

Vested Participants: If you are vested in the Alaska Plan on March 31, 2019, you will continue to be vested in your Alaska Plan accrued benefit after that date. If you also earn one Hour of Service on or after April 1, 2019, you will be vested in any benefits accrued under the Washington Plan.

***Non-Vested Participants*:** If you are a non-vested participant in the Alaska Plan on March 31, 2019 there will be no change in how your vesting service is calculated. The 400/750 Hour Rules will continue to apply to determine if you have a Year of Service for vesting in both your pre-merger and post-merger accrual. However, if you incur a permanent break in service before vesting, and subsequently return to covered service, vesting will be determined solely under the Washington Plan's 400 Hour Rule; the 750 Hour Rule will no longer apply. Refer to "Break in Service" for an explanation of a permanent break in service.

Example 1: Calculation of Vesting Service

Here is an example of the vesting rules that become effective April 1, 2019. Fred is a participant in the Alaska Plan on March 31, 2019 and becomes a participant in the Washington Plan on April 1, 2019. He earned the following Hours of Service:

Plan Year (Including Transitional Plan Years)	Hours of Service in Alaska Plan (prior to 4/1/19)	Hours of Service in Washington Plan (on and after 4/1/19)	Combined Hours of Service for Plan Year	Years of Service
7/1/17-6/30/18	400		400	1
7/1/18-3/31/19 4/1/19-6/30/19	300	 150	 450	 1
4/1/19-6/30/19 7/1/19-3/31/20		150 250	 400	 1
4/1/20-3/31/21		450	450	1
4/1/21-3/31/22		450	450	1
Total:				5

Fred has 400 or more combined Hours of Service in each of the 5 plan years from July 1, 2017 through March 31, 2022. (The 150 Hours of Service earned under the Washington Plan from April 1, 2019 through June 30, 2019 are counted in both transitional plan years of July 1, 2018 through June 30, 2019 and April 1, 2019 through March 31, 2020. Refer to "Change in Plan Year" for details.) Since Fred has earned 5 Years of Service without a break in service he is vested in both his pre-merger and post-merger accrual.

BREAK IN SERVICE

A break in service occurs if you fail to earn the required minimum number of Hours of Service in a plan year for a Year of Service before becoming vested.

Alaska Plan Break in Service Rule

Under the Alaska Plan, you incur a break in service if you are not vested and you are credited with less than 400 Hours of Service during a plan year *and* fail to be credited with 750 Hours of Service in two consecutive plan years including one Hour of Service in each plan year. However, an authorized leave of absence is not counted in determining whether there is a break in service. A leave of absence includes service in the armed forces, jury duty, special assignments for the union or Alaska Plan Trustees, or other reasons approved by the Trustees.

A permanent break in service occurs if the consecutive one-year breaks in service equals or exceeds the greater of five or the Years of Service before the break in service. If there is a permanent break in service, all Years of Service and credited service before the break are forfeited and cannot be reinstated.

Washington Plan Break in Service Rule

Effective April 1, 2019, you incur a break in service under the Washington Plan if you are not vested and you earn less than 400 Hours of Service during a plan year, unless there is an approved leave of absence. A leave of absence includes service in the armed forces, illness or disability, union business, and maternity or paternity leave. See the enclosed booklet for details.

A permanent break in service occurs if the consecutive one-year breaks in service equals or exceeds the greater of five or the Years of Service before the break in service. If there is a permanent break in service, all Years of Service and credited service before the break are forfeited and cannot be reinstated.

Post-Merger Break in Service Rules

If you are a non-vested participant in the Alaska Plan on March 31, 2019, the 400/750 Hour Rules will continue to be used to determine whether you have a break in service. However, if you incur a permanent break in service before vesting, and subsequently return to covered service, a break in service will be determined solely under the 400 Hour Rule used by the Washington Plan; the 750 Hour Rule will no longer apply.

Example 2: Break in Service

Here is an example of the break in service rules that become effective April 1, 2019. John is a participant in the Alaska Plan on March 31, 2019 and becomes a participant in the Washington Plan on April 1, 2019. He earned the following Hours of Service:

Plan Year (Including Transitional Plan Years)	Hours of Service in Alaska Plan (prior to 4/1/19)	Hours of Service in Washington Plan (on and after 4/1/19)	Combined Hours of Service	Years of Service
7/1/17-6/30/18	350		350	1
7/1/18-3/31/19 4/1/19-6/30/19	300	150	450	1
4/1/19-6/30/19 7/1/19-3/31/20		150 250	400	1
4/1/20-3/31/21		450	450	1
4/1/21-3/31/22		0	0	0
4/1/22-3/31/23		200	200	0
4/1/23-3/31/24		300	300	0
4/1/24-3/31/25		300	300	0
4/1/25-3/31/26		200	200	0 (permanent break and forfeiture of prior Years of Service)
4/1/26-3/31/27		450	450	1
4/1/27-3/31/28		350	350	0

John earns 4 Years of Service from July 1, 2017 through March 31, 2021 because he has 400 or more combined Hours of Service in each of the plan years, or 750 Hours of Service in two consecutive plan years including at least one hour in each plan year. (For vesting purposes, the 150 Hours of Service earned under the Washington Plan from April 1, 2019 through June 30, 2019 are counted in both transitional plan years of July 1, 2018 through June 30, 2019 and April 1, 2019 through March 31, 2020. Refer to "Change in Plan Year" for details.) However, John incurs a one-year break in service for each of the five plan years between April 1, 2021through March 31, 2026 because he is credited with less than 400 Hours of Service during each of those plan years *and* less than 750 Hours of Service in each two consecutive plan year period. John has a permanent break in service and permanently forfeits the 4 Years of Service (and all credited service) because his consecutive one-year breaks in service equals or exceeds the greater of five or the Years of Service before the break in service.

Since John has a permanent break in service prior to vesting, the 750 Hour Rule no longer applies. John earns a Year of Service for the Plan Year starting April 1, 2026 because he satisfies the 400 Hour Rule. John has a one-year break in service for the plan year starting April 1, 2027 because he does not satisfy the 400 Hour Rule, and the 750 Hour Rule no longer applies.

BENEFIT ACCRUAL

Alaska Plan Benefit Accrual Rule

Under the Alaska Plan, you do not accrue a benefit for a plan year unless you earn 400 Covered Hours of Employment, or alternatively earn 750 Covered Hours of Employment during two consecutive plan years, including at least one hour in each plan year. The formula for accruing benefits has varied over time, but since February 1, 2011 has been 1.0% of employer contributions up to a maximum hourly contribution rate of $6.50.

Washington Plan Benefit Accrual Rule

Under the Washington Plan, you accrue benefits on all Hours of Covered Service, regardless of the number of hours worked during the plan year. The formula for accruing benefits is currently 1.7% of employer contributions up to a maximum hourly contribution rate of $4.47 for Cement Masons, $4.06 for Plasterers, and $2.75 for Residential work.

Post-Merger Benefit Accrual and Transition of Rules

Following the merger, the accrued benefit will be the amount earned in the Alaska Plan as of March 31, 2019 under its formula, plus the amount earned under the Washington Plan on or after April 1, 2019 under its formula.

There is a transition period to help you satisfy the hours requirement under the Alaska Plan's formula. Hours of Covered Service earned under the Washington Plan from April 1, 2019 through June 30, 2019 will be counted in applying the 400 Hour Rule for accrual in the Alaska Plan from July 1, 2018 through March 31, 2019. Hours of Covered Service earned under the Washington Plan from April 1, 2019 through June 30, 2020 will be counted in applying the 750 Hour Rule for accrual in the Alaska Plan from July 1, 2017 through March 31, 2019.

Since the Washington Plan does not require a minimum number of Hours of Service to accrue a benefit in a plan year, a transition period is not needed to earn post-merger accrual.

The benefits you accrue after April 1, 2019 under the Washington Plan's formula are expected to be higher than those you would have accrued under the Alaska Plan's formula in the absence of a merger.

Example 3: Calculation of Benefit Accrual

Here is an example of how benefits accrue, assuming there is no change in the accrual formula on or after April 1, 2019. Joe earns the following Covered Hours as a Cement Mason:

Plan Year	Hours of Service in Alaska Plan (prior to 4/1/19)	Alaska Plan Pre-Merger Accrual—1% of Contributions Up to Maximum Contribution of $6.50—400/750 Hour Rules Apply	Hours of Service in Washington Plan (on and after 4/1/19)	Washington Plan Post-Merger Accrual—1.7% of Contributions Up to Maximum Contribution Rate of $4.47 (for Cement Masons)	Combined Hours of Service	Combined Accrual
7/1/14-6/30/15	500	$32.50			500	$32.50
7/1/15-6/30/16	200	$00.00			200	$00.00

7/1/16-6/30/17	450	$29.25			450	$29.25
7/1/17-6/30/18	400	$26.00			400	26.00
7/1/18-3/31/19 4/1/19-6/30/19	200	$13.00	 100	 $ 7.60	 300	 $20.60
7/1/19-3/31/20 4/1/20-6/30/20			300 200	$22.80 $15.20	 500	 $38.00
7/1/20-3/31/21			200	$15.20	200	$15.20
4/1/21-3/31/22			500	$38.00	500	$38.00
4/1/22-3/31/23			350	$26.60	350	$26.60
4/1/23-3/31/24			600	$45.59	600	$45.59
4/1/24-3/31/25			200	$15.20	200	$15.20
4/1/25-3/31/26			1000	$76.00	1000	$76.00
4/1/26-3/31/27			800	$60.80	800	$60.80
4/1/27-3/31/28			1000	$76.00	1000	$76.00
Total:	1750	$100.75	5250	$398.99	7000	$499.74

Although Joe earns 200 Covered Hours for the plan year beginning July 1, 2015, he does not accrue a benefit for that plan year because he does not satisfy the 400/750 Hour Rules needed for pre-merger accrual under the Alaska Plan's formula.

Joe earns 300 Covered Hours for July 1, 2018 through June 30, 2019—200 under the Alaska Plan for July 1, 2018 through March 31, 2019 and 100 under the Washington Plan for April 1, 2019 through June 30, 2019. He accrues a benefit for the 200 Covered Hours earned prior to April 1, 2019, because he has more than 750 combined Covered Hours from July 1, 2018 through June 30, 2020 and therefore satisfies the requirements to accrue a benefit under the Alaska Plan's pre-merger formula. Joe also accrues a benefit under the Washington Plan's post-merger formula for the 100 Covered Hours, and for all Covered Hours thereafter, because effective April 1, 2019, there is no minimum number of hours required to accrue a benefit. (There is, however, a minimum number of hours to earn a Year of Service for vesting, benefit eligibility and breaks-in-service. See pages 1 through 3 of this Notice.)

Joe's total accrued benefit on the pre-merger and post-merger accrual is $499.74. In the absence of the merger, Joe's total accrued benefit would have been approximately $427 (assuming there was no accrual unless the 400/750 Hour Rules were satisfied).

NORMAL RETIREMENT

Normal Retirement is when you are entitled to your full accrued benefit without any reduction for your age at retirement. (Your Normal Retirement benefit may be reduced for the form of payment elected at retirement.)

Alaska Plan Normal Retirement Date

The Normal Retirement date has varied under the Alaska Plan. Currently, the Normal Retirement date is the first of the month following the later of attainment of age 62 (provided you are vested), or the 5th anniversary of your participation date while an Active Participant or an Inactive Participant earning Uncovered Hours of Employment.

Washington Plan Normal Retirement Date

Under the Washington Plan, if you have at least five Years of Service, the Normal Retirement date is generally the first of the month following attainment of age 63. If you do not have five Years of Service, the Normal Retirement date is the 5th anniversary of participation without incurring a permanent break in service.

Post-Merger Normal Retirement Date

Following the merger, the Alaska Plan rules for Normal Retirement will apply to benefits accrued under that plan prior to April 1, 2019; and the Washington Plan rules for Normal Retirement will apply to benefits accrued on and after April 1, 2019. This means you may have two different Normal Retirement dates, with payment of the Alaska Plan's pre-merger accrual starting at your age 62, and payment of the Washington Plan's post-merger accrual being delayed until your age 63. In the alternative, you could commence the Alaska Plan pre-merger accrual as a Normal Retirement, and if you satisfy the service requirement, simultaneously commence your Washington Plan post-merger accrual as an Early Retirement. Years of Service under the Alaska Plan and Washington Plan will be combined to satisfy the vesting and service requirements for Normal Retirement.

REGULAR EARLY RETIREMENT

Alaska Plan Early Retirement

Under the Alaska Plan, you are eligible for early retirement if you are at least age 50, but under age 62, and you have at least 10 Years of Service. There may be a reduction in Early Retirement benefits, depending upon your age at retirement. The reduction takes into account that benefits will be paid over a longer period of time than if you retired at Normal Retirement. The amount of the reduction and the amount payable depends upon whether you retire as: (1) an Active Participant (other than a Non-tenured Active Participant); or (2) a Terminated Vested Participant or Non-tenured Active Participant.

- *Active Participant* – You are an Active Participant if you earned a Year of Service during the plan year in which you retire, or in either of the two previous plan years.

- *Terminated Vested Participant* – You are a Terminated Vested Participant if you are vested, have not retired and failed to earn 400 Hours of Service in each of the two most recent plan years, and you failed to earn at least 750 Hours of Service over these two plan years including at least one Hour of Service in each plan year. A Terminated Vested Participant who returns to work is reinstated as a Non-Tenured Active Participant upon completing 400 Covered Hours in a plan year or 750 Covered Hours in two consecutive plan years including at least one Hour of Service in each plan year.

- *Non-Tenured Active Participant* – You are a Non-tenured Active Participant if you were a Terminated Vested Participant and you have returned to work and you have earned a least 1 Year of Service, but less than 3 Years of Service. Once a Non-tenured Active Participant earns 3 Years of Service, the Non-Tenured Active Participant is reinstated as an Active Participant.

Alaska Plan Reduction Factors for Active Participants. If you are an Active Participant (other than a Non-tenured Active Participant) at retirement, the Early Retirement payable on the pre-merger accrual is a reduced Normal Retirement benefit using the reduction factors in Table 1, below. The reduction factors are more favorable if you earned benefits in the Alaska Plan prior to July 1, 2017.

TABLE 1
Early Retirement Factors for Active Participants
(other than Non-tenured Active Participants)

Retirement Age	Benefits Accrued Before July 1, 2003	Benefits Accrued from July 1, 2003 to June 30, 2017	Benefit Accrued on or After July 1, 2017 and Before April 1, 2019
62	100.0%	100.0%	100.0%
61	100.0%	100.0%	91.0%
60	100.0%	100.0%	83.0%
59	100.0%	100.0%	76.0%
58	100.0%	100.0%	69.5%
57	100.0%	100.0%	63.5%
56	97.5%	95.0%	58.5%
55	95.0%	90.0%	53.5%
54	92.5%	85.0%	49.0%
53	90.0%	80.0%	45.0%
52	87.5%	75.0%	41.5%
51	85.0%	70.0%	38.5%
50	82.5%	65.0%	35.5%

Example 4: Calculation of Early Retirement Benefit under Table 1. Prior to April 1, 2019, Mike accrued a benefit in the Alaska Plan of $1,500. Of this benefit, the amount of $650 was accrued before July 1, 2003, $750 was accrued between July 1, 2003 and June 30, 2017, and $100 was accrued between July 1, 2017 and March 31, 2019. Mike retires April 1, 2019 on an Early Retirement at age 56. He is an Active Participant (other than a Non-tenured Active Participant) at the time of retirement. Mike's early retirement benefit at age 56 is $1,404.75: ($650 × 97.5%) + ($750 × 95%) + ($100 × 58.5%).

Reduction Factors for Terminated Vested Participants and Non-tenured Active Participants. If you are a Terminated Vested Participant or a Non-tenured Active Participant, the Early Retirement payable on the pre-merger accrual is a reduced Normal Retirement benefit using the reduction factors in Table 2, below:

TABLE 2
Early Retirement Factors for Terminated Vested Participants
and Non-tenured Active Participants

Retirement Age	Benefits Accrued Before July 1, 2014	Benefits Accrued on and After July 1, 2014 and Before April 1, 2019
62	100.0%	100.0%
61	100.0%	91.0%
60	100.0%	83.0%
59	100.0%	76.0%
58	100.0%	69.5%
57	100.0%	63.5%
56	92.0%	58.5%
55	84.5%	53.5%
54	77.5%	49.0%
53	71.0%	45.0%
52	65.5%	41.5%
51	60.5%	38.5%
50	55.5%	35.5%

Example 5: Calculation of Early Retirement Benefit under Table 2. Jeff has 10 Years of Service as of June 30, 2016. His monthly accrued benefit is $1,000, of which $800 was accrued prior to July 1, 2014 and $200 was accrued between July 1, 2014 and June 30, 2016. Jeff then becomes a Terminated Vested Participant because he works outside the Plan for two consecutive plan years. If Jeff retires early on July 1, 2018 at age 50 his monthly benefit will be $515: ($800 × 55.5%) + ($200 × 35.5%).

Washington Plan Regular Early Retirement

Under the Washington Plan, you are eligible for Regular Early Retirement if you are age 55, but under age 63, you have at least 10 Years of Service including one year of Credited Future Service, and you withdraw and completely refrain from any work with a contributing employer. The Regular Early Retirement is your accrued Normal Retirement benefit reduced by 3% per year from age 63.

Post-Merger Regular Early Retirement

Following the merger, your eligibility for and the amount payable as an Early Retirement benefit will be determined under the Alaska Plan for the portion of your benefits accrued prior to April 1, 2019, and under Washington Plan for the portion of your benefits accrued on and after April 1, 2019. This means you may have two different Early Retirement dates, with payment of the Alaska Plan accrual starting as early as age 50, and payment of the Washington accrual being delayed until age 55. An election period would be provided for each retirement date. The following rules will be used to determine if you have 10 Years of Service required by both plans for Early Retirement:

- ***Payment of Alaska Plan Pre-Merger Accrual as Early Retirement***. The 400/750 Hour Rules will be used to determine whether you have the 10 Years of Service required for payment of the pre-merger accrual at Early Retirement, as well as whether you are an Active Participant subject to the Table 1 Early Retirement Reduction Factors, or a Terminated Vested or Non-tenured Active Participant subject to the Table 2 Early Retirement Reduction Factors.

- ***Payment of Washington Plan Post-Merger Accrual as Early Retirement.*** The 400/750 Hour Rules will be used until March 31, 2021 to calculate a Year of Service for Early Retirement eligibility of your post-merger accrual (provided you do not have a permanent break in service before that date). Effective April 1, 2021, the 750 Hour Rule will no longer be used, and you must have 400 Hours of Service in a plan year earn a Year of Service for Early Retirement eligibility of the post-merger accrual. Your Years of Service prior to April 1, 2021 (using the 400/750 Hour Rules) and Years of Service after March 31, 2021 (using the 400 Hour Rule) will be combined in calculating the 10 Years of Service.

Example 6: Determining Early Retirement Eligibility

Here is an example of how Early Retirement eligibility will be determined effective April 1, 2019 using the hours and benefits accrued by Joe in Example 3. Joe is age 50. He stops working and applies for Early Retirement with a commencement date of April 1, 2028. The following Years of Service are used for determining Joe’s eligibility for Early Retirement:

Plan Year	Pre-Merger Hours of Service (prior to 4/1/19)	Post-Merger Hours of Service (on and after 4/1/19)	Combined Hours of Service	Years of Service for Early Retirement	
				Pre-Merger (400/750 Hour Rules)	Post-Merger (400/750 Hour Rules until 3/31/21; 400 Hour Rule after 3/31/21
400/750 Hour Rule Used for Year of Service					
7/1/14-6/30/15	500		500	1	1
7/1/15-6/30/16	200		200	0	0
7/1/16-6/30/17	450		450	1	1
7/1/17-6/30/18	400		400	1	1
7/1/18-6/30/19	200	**100***	300	0	0
4/1/19-3/31/20		400	400	1	1
4/1/20-3/31/21		400	400	1	1
400 Hour Rule Used for Year of Service					
4/1/21-3/31/22		500	500	1	1
4/1/22-3/31/23		350	350	1	0
4/1/23-3/31/24		600	600	1	1
4/1/24-3/31/25		200	200	1	0
4/1/25-3/31/26		1,000	1,000	1	1
4/1/26-3/31/27		800	800	1	1
4/1/27-3/31/28		1,000	1,000	1	1
Total:				12	10

*In this Example 6, the 100 Hours of Service for April 1, 2019 through June 30, 2019 are counted in both transitional plan year (July 1, 2018 through June 30, 2019 and April 1, 2019 through March 31, 2020 in determining a Year of Service under the 400/750 Hour Rules. However, in Example 3, the benefits do not accrue on the overlapping hours.

Since Joe is age 50 and has 12 Years of Service using the 400/750 Hour Rules, he will qualify for Early Retirement on the pre-merger accrual.

At age 55, Joe will also qualify for Early Retirement on his post-merger accrual, because he is credited with 10 combined Years of Service. (The 400/750 Hour Rules both apply prior to April 1, 2021 to determine a Year of Service for Early Retirement, and the 400 Hour Rule applies on and after April 1, 2021).

Example 7: Calculation of Early Retirement Benefit

Table 1 is used to calculate Joe's benefits on the pre-merger accrual because he is an Active Participant under the Alaska Plan Rules at the time of Retirement. His Early Retirement benefit is calculated as follows, using the accrued benefit shown in Example 3:

Calculation of Early Retirement Benefit on Pre-Merger Accrual (Payable at Age 50)			
Period	Benefit Accrual at Normal Retirement	Early Retirement Reduction Factor (from Table 1)	Early Retirement Benefit
7/1/14-6/30/17	$61.75	65.0%	$40.14
7/1/17-3/31/19	$26.00	35.5%	$9.23
Calculation of Early Retirement Benefit on Post-Merger Accrual (Payable at Age 55)			
4/1/19-3/31/28	$398.95	76.00%	$303.20
Total:	$486.70		$352.57

Joe's monthly Early Retirement benefit payable at age 50 on the pre-merger accrual is $49.37 ($40.14 + 9.23). If he elects to take Early retirement at age 55 on the post-merger accrual, he will receive an additional monthly benefit of $303.20, for a total monthly benefit at age 55 of $352.57.

In the absence of a merger, Joe's total Early Retirement benefit at age 50 would have been $170.51.

SPECIAL EARLY RETIREMENT ON POST-MERGER ACCRUAL

The Washington Plan provides an unreduced Special Early Retirement which is not offered under the Alaska Plan. You may qualify for the Special Early Retirement payable with the post-merger accrual if you are age 55, have 30 Years of Service, and have 500 Hours of Service in each of three plan years in the five plan years before retirement. The pre-merger and post-merger Years of Service and Hours of Service will be combined in calculating the 30 Years of Service. As with Regular Early Retirement, the 400/750 Hour Rules will be used to calculate a Year of Service through March 31, 2021. Effective April 1, 2021, the 750 Hour Rule will no longer be used, and you must have 400 Hours of Service in a plan year to earn a Year of Service toward Special Early Retirement. If you satisfy the service requirements for Special Early Retirement, it will only be provided on the post-merger accrual. Payment of the pre-merger accrual would be paid as an Early Retirement (or Normal Retirement) under the Alaska Plan provisions described above.

LATE RETIREMENT BENEFITS

Alaska Plan Late Retirement Rule

Under the Alaska Plan, you have a Late Retirement Date if you continue working beyond your Normal Retirement Date. The amount payable will be based upon the accrued benefit at the time of your Normal Retirement Date, plus any additional benefits accrued after your Normal Retirement Date. The monthly benefit is paid retroactively with interest to the date you could have first received your Normal Retirement benefit, or the first of the month following the last continuous month in which you completed 40 or more Covered Hours of Employment. However, you will not receive a retroactive payment for any month that you worked in post-retirement service, if benefits would have been suspended had you been retired.

Your retirement date cannot be later than April 1, following the plan year in which you reach age 70½.

Washington Plan Late Retirement Rule

Under the Washington Plan, you are eligible for a Late Retirement Date if you continue working beyond your Normal Retirement Date. The Late Retirement Benefit is the monthly Normal Retirement benefit, plus any additional benefits accrued after your Normal Retirement Date. The monthly benefit is actuarially increased by ½ of 1% (6% per year) for each full month your retirement benefit is postponed after your Normal Retirement Date. Benefits may be reduced depending upon the form of payment elected. The monthly benefits are paid retroactively to the first of the month after you last worked in covered service. Alternatively, you will receive the actuarial equivalent of the amount that would otherwise have commenced as of the date you last worked in covered service.

If you are eligible for Normal Retirement and you delay applying for benefits, but you are not working in suspendable employment, benefits are paid retroactively to your Normal Retirement Date with interest of 7%. Alternatively, you will receive the actuarial equivalent of the amount that would otherwise have commenced at Normal Retirement. Retroactive payments and the actuarial adjustment are not provided for any month benefits would have been suspended had you retired.

Your retirement date cannot be later than April 1, following the plan year in which you reach age 70½.

Post-Merger Late Retirement Rules

Following the merger, the Alaska Plan's rules will apply to payment of the pre-merger accrual. The Washington Plan's rules will apply to the post-merger accrual.

Example 8: Late Retirement

Here is an example of the Late Retirement benefits effective April 1, 2019: Gwen's monthly benefit payable on the pre-merger accrual is $2,000. Gwen continues to work past age 63, earning a monthly benefit on the post-merger accrual of $200. At age 65, Gwen leaves Covered Employment and works in another industry for three years until she turns 68. Gwen then elects to retire. Gwen is eligible to commence the pre-merger $2,000 monthly benefit retroactive to her age 65 (the later of her Normal Retirement Date and the first of the month following the last continuous month in which she completed 40 or more Covered Hours of Employment). At age 68, she receives a one-time retroactive payment of $72,000 (36 payments for the period from age 65 to age 68 x $2,000) plus interest (the amount of which varies each year). Gwen also receives an ongoing monthly benefit at age 68 of $2,000.

Gwen is also eligible for a Late Retirement benefit on the post-merger accrual. The Late Retirement provides an increase to the monthly benefit of ½ of 1% (.005) for each month benefits were postponed after Normal Retirement age. The total amount of the increase is $60 ($200 x .005 x 60 months). Gwen's total monthly Late Retirement benefit payable with the post-merger accrual is $260. Gwen's total monthly benefit at age 68 is $2,260. Gwen's benefit may be adjusted for the form of payment.

DISABILITY BENEFITS

Applications Received Before April 1, 2019 Will Be Determined Under the Alaska Plan

Applications for Disability Retirement will be determined under the Alaska Plan if the application is received by the Trust Administration Office prior to April 1, 2019. To qualify for Disability Retirement under the Alaska Plan you must:

- Be an Active Participant who has attained age 40 or older; and
- Have completed at least 10 years of Credited Service or 9,000 Covered Hours of Employment (5 years of Credited Service or 4,500 Covered Hours of Employment if disabled on the job); and
- Be eligible for Social Security disability benefits; and
- Not incur a break in service before the disability occurs.

Under the Alaska Plan, the Disability Retirement is a reduced Normal Retirement using the following reduction factors.

Retirement Age	Alaska Plan Reduction Factors for Applications Received on or After October 28, 2016 and Before April 1, 2019
62	100.0%
61	91.0%
60	83.0%
59	76.0%
58	69.5%
57	63.5%

56	58.5%
55	53.5%
54	49.0%
53	45.0%
52	41.5%
51	38.5%
50	35.5%
49	32.5%
48	30.0%
47	28.0%
46	26.0%
45	24.0%
44	22.0%
43	20.5%
42	19.0%
41	17.5%
40	16.5%

If you are eligible for both Early Retirement and Disability Retirement, the monthly benefit will not be less than it would be for Early Retirement. Disability Retirement Benefits may also be reduced depending upon the form of payment elected.

Applications Received on and After April 1, 2019 Will Be Determined Under the Washington Plan

Applications for Disability Retirement received on and after April 1, 2019 will be determined under the Washington Plan for both the pre-merger and post-merger accrual. To qualify for disability retirement under the Washington Plan you must satisfy the following requirements:

- Complete (a) 10 Years of Service and be under age 63, or (b) complete 5 Years of Service and be at least age 55 but younger than age 63. Pre-merger and post-merger Years of Service will be combined in calculating the Years of Service. The 400/750 Hour Rules will be used to calculate a Year of Service through March 31, 2021. Effective April 1, 2021, the 400 Hour Rule will be used to calculate a Year of Service toward Disability Retirement;

- Have a determination of disability under the Social Security Act, with a disability that has lasted at least six consecutive months; and

- As of the date Social Security found you became disabled, have 750 or more Hours of Service (including Hours of Service in a Related Plan) in the last 3 consecutive plan years. Your pre-merger and post-merger Hours of Service will be used in calculating the 750 Hours of Service.

The disability benefit is in the amount of an unreduced Normal Retirement benefit if you have at least 10 Years of Service. If you have at least 5 but less than 10 Years of Service, you must be age 55 to qualify for Disability Retirement and the benefit is an actuarially reduced Normal Retirement benefit based upon your age at retirement. Reductions for the form of payment elected may also apply. Disability Retirement benefits under the Washington Plan will generally be more than would have been paid as a Disability Retirement under the Alaska Plan.

RETURN OF CONTRIBUTIONS DISABILITY BENEFIT

The Washington Plan has a Return of Contributions Benefit, which is not offered under the Alaska Plan. Effective April 1, 2019, you will qualify for the benefit if you:

- Have a determination of disability under the Social Security Act; and

- Are unable to continue to perform covered service and incur a permanent break in service as a result of the disability; and

- Are receiving disability benefits under the Social Security Disability Insurance program at the time of the application for the Return of Contributions Benefit; and

- Have 3 Years of Credited Future Service earned on and after April 1, 2019 in the Washington Plan before incurring the permanent break in service. The 400 Hour Rule will be used to determine a Year of Credited Future Service. Hours of Service earned under the Alaska Plan prior to April 1, 2019 will not be used in calculating the Years of Credited Future Service; and

- Do not otherwise qualify for any other benefit under the Washington Plan, except an Individual Account Benefit.

The Return of Contributions Benefit is paid as a lump sum equal to 100% of the total accruing contributions made on your behalf to the Washington Plan for Hours of Service on and after April 1, 2019 (other than contributions to the Individual Account). If you qualify for a Return of Contributions Benefit you are not entitled to any other benefit from the Washington Plan (except an Individual Account Benefit, if any).

FORMS OF RETIREMENT PAYMENT

Payment Options

The Alaska Plan and Washington Plan offer different forms of payment for retirement benefits. Effective for retirement dates on and after July 1, 2019, some of the forms of payment currently available under the Alaska Plan are being eliminated, and others will only be available for the pre-merger accrual.

The following chart explains the forms of payment available under the Alaska Plan and Washington Plan prior to July 1, 2019, and the forms of payment that will be available on or after July 1, 2019:

Form of Payment	Offered by Alaska Plan Before July 1 2019	Offered by Washington Plan Before July 1, 2019	Available for Pension Effective Dates on or after July 1, 2019
Life Annuity (no guarantee)[1]	Yes	No	No
Life Annuity with 36-month guarantee[2]	No	Yes	Yes
Life Annuity with 60-month guarantee	Yes	No	No
Life Annuity with 120-month guarantee	Yes	No	Yes for pre-merger Alaska accrual only
Life Annuity with 180-month guarantee	Yes	No	Yes for pre-merger Alaska accrual only
50%, 75% or 100% Spouse Option w/o pop-up[3]	Yes	No	No
50%, 75% or 100% Spouse Option with pop-up[4]	Yes	Yes	Yes
50%, 75%, or 100% Non-Spouse Contingent Beneficiary w/o pop-up	No	Yes	Yes

1. The Life Annuity is the normal form of payment for unmarried participants under the Alaska Plan.
2. The Life Annuity with 36 months guaranteed is the normal form of payment for unmarried participants under the Washington Plan.

[3.] The 50% Spouse Option w/o pop-up is the normal form of payment for married participants under the Alaska Plan.
[4.] The 50% Spouse Option with pop-up is the normal form of payment for married participants under the Washington Plan.

Effective for retirement dates on and after July 1, 2019, the normal form of payment for unmarried participants will be the Life Annuity with 36 months guaranteed, and the normal form of payment for married participants will be the 50% Spouse Option with a pop-up (your benefit amount pops up to the amount under the Life Annuity with 36 months guaranteed if your spouse pre-deceases you). You may elect a different form of payment, but your spouse must consent to your election if you are married.

If you have both pre-merger and post-merger accrual and elect a form of payment that is only available for the pre-merger accrual, then you will be required to elect a form of payment for the pre-merger accrual and a form of payment for the post-merger accrual. If you have different retirement dates for your pre-merger and post-merger accrual, an election period will be provided for both retirement dates, and you may elect different forms of payment for the pre-merger and post-merger accrual. However, you may not change the prior election on your pre-merger accrual at the time of your election for the post-merger accrual. You must elect the same form of payment if your retirement date for the pre and post-merger accrual is the same and you elect a form of payment that is available for both the pre and post-merger accrual.

Reduction for the Form of Payment.

Your benefits may be reduced for the form of payment you elect. Factors are used to calculate the amount of the reduction. The Alaska Plan's factors are different than the Washington Plan's factors. The Alaska Plan's factors vary each year, because they are tied to an interest rate. However, in general, the factors used by the Washington Plan are more favorable.

Following the merger, the Washington Plan's factors will be used to calculate both the pre-merger and post-merger benefit, subject to the following exceptions: (1) if the form of payment elected for the pre-merger benefit is not available for the post-merger benefit, then the Alaska Plan's factors will be used to calculate the pre-merger benefit; and (2) if the form of payment elected applies to both the pre-merger and post-merger accrual the more favorable of the Alaska Plan's factors and the Washington Plan's factors will be used to calculate the pre-merger benefit.

Example 8: Form of Payment

Here is an example of how the factors work. Jenny is age 60 and her spouse is age 58. Jenny is retiring on December 1, 2020. Her Early Retirement benefit is $1,200 payable with the pre-merger accrual plus $150 payable with the post-merger accrual for a total monthly benefit of $1,350. Jenny has the following payment options:

Sample Factors for Participant Jenny, Age 60 & Her Spouse Age 58		
	Alaska Plan* (pre-merger accrual)	**Washington Plan (post-merger accrual)**
Single Life Annuity with 36 month guarantee	1.0000	1.0000
Single Life Annuity with 120 month guarantee	0.9703	Not an option
Single Life Annuity with 180 month guarantee	0.9252	Not an option
50% Joint & Survivor with pop-up	0.8420	0.8942
75% Joint & Survivor with pop-up	0.7835	0.8474
100% Joint & Survivor with pop-up	0.7326	0.8052

*The Alaska Plan's factors shown are illustrative and are determined annually; the factors shown here apply to the 2018-2019 plan year.

Jenny's benefits are paid as a joint and survivor option, unless her spouse consents to a different option. Assuming benefits are paid as a 50% Joint and Survivor option, the monthly benefit payable for Jenny's lifetime is $1,207.17 ($1,350 x .8942). The Washington Plan's factor applies to the pre-merger accrual, because it provides a more favorable benefit than the Alaska Plan's factor. The Washington Plan's factors will always apply to the post-merger accrual. If Jenny dies, her surviving spouse receives $603.59 (50% x $1,207.17) per month for the remainder of his lifetime. If Jenny's spouse dies first, then Jenny's monthly benefit will "pop-up" the first of the month following her spouse's death to $1,305 per month (without any guarantee), which is the full Early Retirement benefit.

Jenny, with applicable spousal consent, could also elect a different payment option. For example, if Jenny elects a Single Life Annuity with a 180 month guarantee for the pre-merger accrual and a 100% Joint and Survivor option with a pop-up for the post-merger accrual, the total monthly benefit is $1,231.02 for Jenny's lifetime: $1,110.24 ($1,200 x .9252) for the pre-merger accrual, plus $120.78 ($150 x .8052) for the post-merger accrual. Since Jenny elected a form of payment for the pre-merger accrual which was not available for the post-merger accrual, the Alaska Plan's factor applies to the pre-merger benefit and the Washington Plan's factor applies to the post-merger benefit. If Jenny dies after receiving only 100 monthly payments, her surviving spouse receives the pre-merger benefit of $1,110.24 for 80 additional months so that 180 total payments are made. Her surviving spouse also receives the post-merger benefit of $120.78 (100% of the monthly amount) for the remainder of his lifetime. If Jenny's spouse dies first, Jenny continues to receive the pre-merger benefit of $1,110.24 per month for the remainder of her lifetime. In addition, her post-merger benefit will "pop-up" to $150 per month (the full Early Retirement benefit) payable for the remainder of her lifetime, so that her total monthly benefit increases to $1,260. 24.

RE-EMPLOYMENT AFTER RETIREMENT

Alaska Plan Re-Employment Rules

Under the Alaska Plan, if you retire and then return to work for 500 or more hours in post-retirement service during a plan year, benefits are suspended for any month (or four or five week pay period ending in a calendar month) during the remainder of the plan year in which you work 40 or more hours in post-retirement service. Post-retirement service means employment: (1) in Alaska; (2) in a job classification included in Article II of the Operative Plasterers and Cement Masons International Association of the United States and Canada, whether or not the employment is under the bargaining agreement; and (3) in the industry in which contributing employers participate (any business activity of the type engaged in by contributing employers).

When retirement benefits resume following a suspension, the amount will be the same as it was prior to the suspension. Any additional benefits accrued during post-retirement service are payable the first of the month following the later of attainment of age 57 (if you are less than age 57 upon resumption) and withdrawal from post-retirement service. See the Alaska Plan booklet for details. Benefits are not suspended after attaining the required beginning date.

Note: There is a temporary exception to the Alaska Plan's suspension rules from July 1, 2018 through June 30, 2019, allowing retirees to engage in post-retirement service with a contributing employer without the hours worked being deemed or counted as hours worked in post-retirement service. The exception does not apply to post-retirement service with a non-contributing employer.

Washington Plan Re-Employment Rules

The suspension of benefit rules under the Washington Plan depend upon whether you are working in post-retirement service before or after age 63 (Normal Retirement age). If you are under age 63, you may work in post-retirement service for up to 500 hours in a plan year (or 730 hours if you are an apprentice instructor). If you work more than the maximum allowed hours in a plan year, benefits are suspended and an additional six-month suspension period applies before payments resume. (On a one-time basis the additional six-month suspension will not apply if the Trust Administration Office is notified of the return to work before 500 hours of post-retirement service.)

If you are age 63 or older, you may work in post-retirement service for up to 350 hours in a plan year (or 600 if you are an apprentice instructor). If you work more than the maximum hours, benefits are suspended for any month (or four of five week pay period ending in a calendar month) in which you work 40½ hours.

Post-retirement service means employment: (1) in Washington; (2) in an industry in which participants earn credited service, regardless of whether the employment is under a bargaining agreement; and (3) in a trade or craft in which you were employed while earning credited service, or in a supervisory capacity over such trade or craft.

When retirement benefits resume, the amount will be the same as it was prior to the suspension. However, if benefits were reduced due to Early Retirement, there is a one-time adjustment based on your original age at Early Retirement and increased by the number of years of post-retirement service, using the reduction factors in effect at retirement. Any additional benefits accrued during post-retirement service are payable using the current actuarial reduction based on your age at commencement of the additional accrual.

Post-Merger Suspension of Benefit Rules

Following the merger, the suspension of benefit rules under the Alaska Plan will apply to the portion of your benefits accrued prior to April 1, 2019. In applying the suspension rules under the Alaska Plan, post-retirement service will continue to include employment in Alaska only.

The suspension of benefit rules under the Washington Plan will apply to the portion of your benefits accrued on and after April 1, 2019. In applying the suspension rules under the Washington Plan to the post-merger accrual, post-retirement service will include employment in either Washington or Alaska.

This means that if you return to work, the portion of your benefits paid with the pre-merger accrual may be suspended during periods when the benefits paid with your post-merger accrual are not suspended, and vice versa.

PRETIREMENT DEATH BENEFITS

Alaska Plan

Under the Alaska Plan, preretirement death benefits are only available to the surviving spouse of a vested participant. The benefit is the spousal portion of the 50% joint and survivor form of payment with an additional actuarial reduction if benefits begin prior to what would have been the participant's earliest retirement age.

Washington Plan

The Washington Plan has several types of preretirement death benefits. The benefit provided depends upon the Years of Service and marital status at the time of death. The preretirement death benefits are:

- ***Special Survivor Benefit for Spouse or Minor Children.*** If you die before retirement, a monthly benefit equal to 50% of your accrued Normal Retirement benefit is payable to your surviving spouse, or if there is no spouse to your surviving minor children, provided you: (1) have 10 Years of Service, and at least 750 Hours of Service in the last three consecutive plan years prior to your death; or (2) are at least age 55 and have 10 Years of Service. Reciprocal service is not counted to determine eligibility. This benefit lasts for the spouse's lifetime if you are married, or until the last minor child attains age 18 if you are unmarried. Your surviving spouse (but not your minor children) may elect the Lump Sum Death Benefit in lieu of the Special Survivor Benefit. The Special Survivor Benefit paid to your spouse will not be less than the actuarial value of the Lump Sum Death Benefit.

- ***Qualified Preretirement Survivor Annuity ("QPSA") for Spouse.*** If you are vested but do not qualify for the Special Survivor Benefit, your surviving spouse receives the spousal portion of the 50% Joint and Survivor form of payment (known as the QPSA), with an additional actuarial reduction if benefits begin prior to what would have been your earliest retirement age. In lieu of the QPSA, your surviving spouse may elect the Lump Sum Death Benefit (which will not be less than the actuarial value of the QPSA).

- ***Lump Sum Death Benefit.*** If you are vested with at least 5 Years of Service, including at least one Year of Credited Future Service, and die prior to retirement your beneficiary receives a lump sum death benefit equal to 100% of the accruing contributions (other than Individual Account contributions) made or required to be made to the Plan on your behalf. Your surviving spouse may elect the Lump Sum Death Benefit in lieu of the QPSA or the Special Survivor Benefit. If a surviving spouse elects the Lump Sum Death Benefit in lieu of the QPSA, it will not be less than actuarial value of the QPSA.

  Note: Your beneficiary will be your lawful spouse. If there is no lawful spouse, you may designate any beneficiary (including your former spouse). If no designation is made, then the lump sum is payable in the following order of priority: to your surviving children (in equal shares); to your parents; to your brothers and sisters; to your estate.

Post-Merger Preretirement Death Benefits Payable

Following the merger, both the pre-merger and post-merger accrual will be paid under the Washington Plan's preretirement death benefit payment options, subject to the following transition rules:

- ***Special Survivor Benefit.*** The 400/750 Hour Rules will be used until March 31, 2021 to calculate a Year of Service for the Special Survivor Benefit (provided you do not incur a permanent break in service before that date). Effective April 1, 2021, 400 Hours of Service in a plan year will be required to earn a Year of Service for the Special Survivor Benefit. Years of Service prior to April 1, 2021 (using the 400/750 Hour Rules) and after March 31, 2021 (using the 400 Hour Rule) will be combined in calculating the 10 Years of Service. Hours of Service before and after April 1, 2019 will be combined in calculating the 750 Hours of Service in the last 3 consecutive plan years prior to death.

- ***QPSA for Spouse.*** If you are vested in the Alaska Plan on March 31, 2019, then you will satisfy the vesting requirement for the QPSA. If you are not vested in the Alaska Plan on March 31, 2019, then the 400/750 Hour Rules will continue to be used to satisfy the vesting requirement for the QPSA (provided you do not have a permanent break in service before vesting). Refer to "Vesting." The accrued benefit, earliest retirement date, Early Retirement reduction factors, and actuarial equivalence are determined under the Alaska Plan for the pre-merger accrual and under the Washington Plan for the post-merger accrual.

- ***Lump Sum Death Benefit.*** You must have one Year of Credited Future Service in the Washington Plan (400 Hours of Service in a plan year of April 1 through March 31) commencing on or after April 1, 2019 in order to qualify for the Lump Sum Death Benefit. If you are vested in the Alaska Plan on March 31, 2019, then you will satisfy the vesting requirement for the Lump Sum Death Benefit. If you are not vested in the Alaska Plan on March 31, 2019, then the 400/750 Hour Rules will continue to be used to satisfy the vesting requirement (provided you do not have a permanent break in service before vesting). The Lump Sum Death Benefit will include accruing contributions required to be made to both the Alaska Plan prior to April 1, 2019 (except for any contributions due for a plan year in which you did not accrue a benefit) and the Washington Plan on and after April 1, 2019.

INDIVIDUAL ACCOUNT BENEFIT

The Washington Plan has an Individual Account Benefit. An Individual Account is established for those participants on whose behalf the Trustees have allocated a portion of the hourly contributions for an Individual Account Benefit.

The Trustees do not currently foresee allocating a portion of the hourly contributions on behalf of participants working under a collective bargaining agreement in Alaska. Therefore, while working in Alaska, you will not accrue an Individual Account Benefit nor have an Individual Account established on your behalf, unless the Trustees, in their discretion, later decide to allocate contributions for Hours of Service in Alaska to the Individual Account Benefit. Any allocation of the hourly contributions will be prospective only.

Although you will not accrue an Individual Account Benefit unless you work in covered employment in Washington, you will receive vesting credit for purposes of the Individual Account Benefit. The vesting credit will be provided under the "Vesting" provisions of this Notice. Three Years of Service are required to vest in the Individual Account Benefit.

QUESTIONS

This Notice is only a summary of the benefits that will be provided after the merger of the Washington Plan and the Alaska Plan. It does not cover all details of the Washington Plan or the Alaska Plan. If there is a difference between this Notice and the Washington Plan, the terms of the Washington Plan document (or the Alaska Plan document if applicable) will always govern.

This Notice is provided in accordance with Section 204(h) of the Employee Retirement Income Security Act of 1974, as amended, and Section 4980F of the Internal Revenue Code of 1986, as amended. This Notice is also a summary of material modifications to the 2013 Edition of the Summary Plan Description for the Cement Masons and Plasterers Retirement Trust. Please keep this Notice with both the booklet for the Washington Plan and the Alaska Plan. If you have any questions about the benefits described in this Notice, or benefits in general, you may contact the Administration Office by phone at (800) 732-1121 or by mail at Labor Trust Services, Inc., P.O. Box 93870, Anchorage, Alaska 99509.

Please keep this Notice with the Alaska Trowel Trades Pension Plan Summary Plan Description which describes the rules of the Alaska Plan, and the Cement Masons and Plasterers Retirement Plan Summary Plan Description which describes the rules for the Washington Plan.