JANUARY 2021

TO: ACTIVE PARTICIPANTS

RE: SUMMARY OF MATERIAL MODIFICATIONS TO THE NORTHERN CALIFORNIA PIPE TRADES TRUST FUND (“PLAN”)

The Board of Trustees of the Northern California Pipe Trades Pension Plan (“Plan”) is providing you with the following summary of changes to the Plan called a Summary of Material Modification (“SMM”). Please review these important changes described below.

A. RETIREMENT BENEFITS – NORMAL RETIREMENT BENEFITS

Plan Amendment
ACTIVE Participants
Article III, Section 2.c. – Effective January 1, 2021, through December 31, 2021

Based on positive investment returns and the positive actuarial position of the Plan during the 2020 Plan Year, the Board of Trustees has increased the Plan’s Base Benefit Rate and Base Bonus Benefit Rate by thirty percent (30%) for hours worked during the 2021 Plan Year (January 2021 through December 2021).

For hours worked during the 2021 Plan Year (January 1, 2021, through December 31, 2021) the Board of Trustees has amended the Plan to increase the monthly benefit accrual rate for a full year of Benefit Credit to the following:

<table>
<thead>
<tr>
<th>Vesting Credits (or Years of Participation) and Benefit Credits Required</th>
<th>Month in Which Hours are Worked</th>
<th>Benefit Rate for One Benefit Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Years 1 – 25</td>
<td>January 2021 through December 2021</td>
<td>$195.00</td>
</tr>
<tr>
<td>Years 25.01+</td>
<td>January 2021 through December 2021</td>
<td>$260.00</td>
</tr>
</tbody>
</table>

If you work more or less than 1200 hours in a Plan Year, your Benefit Credit will be increased or reduced proportionately (prorated). However, no Benefit Credit is earned for less than 300 hours reported in Covered Employment in a Plan Year.

If the Employer Contribution Rate for your hours worked in Covered Employment is greater than or less than the Master Labor Agreement Contribution Rate, your Benefit Credit will be increased or reduced proportionately (prorated) based on the Master Labor Agreement Contribution Rate.

B. COMMENCEMENT OF BENEFIT PAYMENTS

REQUIRED MINIMUM DISTRIBUTION AGE CHANGED TO AGE 72

Plan Amendment
ACTIVE Participants
Article III, Section 10 – Effective for Participants who reach Age 70½ on or after January 1, 2020

Pursuant to federal law, the Age you are required to take your mandatory distributions known as the Required Minimum Distribution (“RMD”) has been changed to Age 72 (for those individuals who were born after June 30, 1949). If you were born before July 1, 1949, the prior RMD rules continue to apply to you (Age 70½). Below are the relevant Plan RMD rule changes to comply with the law.
Mandatory Distributions. Regardless of any Late Retirement election by the Employee or the Employee’s actual date of retirement, distribution must be made under the Plan in accordance with the following requirements:

(i) Subject to paragraph (ii) below, for a Participant who reaches Age 70½ on or after January 1, 2020, distributions shall be made or commence no later than April 1st of the calendar year following the later of a) the calendar year in which the Participant reaches Age 72 or b) the calendar year in which the Participant retires. The Requirement Minimum Distribution for a five percent (5%) owner is age 72, even if still working.

(ii) Any Participant, including a 5% owner, who reaches Age 70½ prior to January 1, 2020, would continue to be required to take distributions under the prior Required Minimum Distribution rule.

(iii) Distributions made pursuant to subparagraphs (i) and (ii) above must be payable over a period certain not to exceed the life or life expectancy of the Employee or the joint life or life expectancy of the employee and his/her designated beneficiary. All distributions made pursuant to this Section will meet the requirements of Treasury regulation 1.401(a)(9)-2 through 1.401(a)(9)-(9), including the incidental benefit requirements of Section 401(a)(9)(G) of the Internal Revenue Code.

(iv) If the Employee commences retirement after April 1st of the calendar year following the year in which the Employee reaches Age 72 (for Participants who reach age 70½ on or after January 1, 2020), the Employee’s accrued benefit shall be actuarially increased to take into account the period after age 70½ in which the Employee was not receiving any benefits under the Plan. Such actuarial increase shall be calculated in accordance with IRC Section 401(a)(9)(C) and Regulations issued thereunder. The Participant’s right to distributions on April 1st of the calendar year following the year in which Age 72 is reached shall be preserved under any circumstances. Benefits shall be paid in accordance with the minimum distribution requirements of IRC Section 401(a)(9) and applicable regulations.

IN ACCORDANCE WITH THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), THIS SMM SUPPLEMENTS THE SUMMARY PLAN DESCRIPTION THAT HAS BEEN SEPARATELY PROVIDED TO YOU. YOU SHOULD RETAIN THIS DOCUMENT WITH YOUR SUMMARY PLAN DESCRIPTION.

If you have any questions, please contact the Trust Fund Office at 925/356-8921, ext. 246.

Respectfully submitted,
Fund Manager
On Behalf of the Board of Trustees