



MOTION
PICTURE
INDUSTRY

PENSION & HEALTH PLANS

P.O. Box 1999, Studio City, California 91614-0999

PENSION BENEFITS APPENDIX
FORMER EAST COAST LOCAL 161
PENSION FUND PARTICIPANTS

This Appendix is part of your July 2011
Pension and Individual Account Plans
Summary Plan Description

The nature and extent of benefits provided by the MPIPP and the rules governing eligibility are determined solely and exclusively by the Directors of the MPIPP, consistent with applicable law. The Directors shall also have full discretion and authority to interpret the Benefits and to decide any factual question related to eligibility for and the extent of benefits provided by the MPIPP, consistent with applicable law.

Employees of the MPIPP have no authority to alter benefits or eligibility rules. Any interpretations or opinions given by employees of the MPIPP are not binding upon the Directors and cannot enlarge or change such benefits or eligibility rules. In accordance with the terms of the Trust Agreement, the Directors reserve the right to change the nature and extent of benefits provided by the MPIPP and to amend the rules governing eligibility at any time, consistent with applicable law.

CONTACT MPI

It is important to keep your contact information up to date with MPI throughout your career. Please contact MPI when you:

- Change your address, phone number or email,
- Become married or divorced,
- Welcome a new child into your family, or
- Have questions about your Pension, IAP or Health Plan benefits.

Toll-free Participant Services Center
(855) ASK – 4MPI
(275-4674)

Change of Address and Beneficiary forms
can be found on the MPI website.

www.mpiphp.org

Mailing Address

Please submit all forms and correspondence to:

Motion Picture Industry Pension & Health Plans
P.O. Box 1999
Studio City, CA 91614-0999

MPI OFFICE LOCATIONS

California
11365 Ventura Blvd
Studio City, CA 91604

New York
145 Hudson Street, Suite 6A
New York, NY 10013



Dear Pension Participant,

This Appendix is for those eligible participants in the Local 161 I.A.T.S.E. Pension Plan (the “161 Pension Plan”) who became Participants of the Motion Picture Industry Pension Plan on January 1, 2005 (“Merger Date”), the effective date of the merger between the two plans. This Appendix explains your Pension benefits where they differ from the MPIPP plan of benefits during your merger transition period, and is part of your Summary Plan Description. You should also retain your 161 Pension Plan Summary Plan Description, as some of those rules are relevant during the transition period. If you have any questions about your benefits, please call MPI’s toll-free Participant Services Center at (855) ASK-4MPI (275-4674).

**THE BOARD OF DIRECTORS
MOTION PICTURE INDUSTRY PENSION AND INDIVIDUAL ACCOUNT PLANS**

Note for Retirees

If you were a retiree of the 161 Pension Plan, you are continuing to receive your monthly pension check except that after the merger it is issued by MPIPP. Except as provided in this notice, unless you return to work, nothing in the merger will affect you.

Note for Vested Participants

If you are vested (meaning your benefits are not forfeitable under the 161 Pension Plan), you will remain vested in MPIPP after the merger. All 161 Annuity Plan benefits will remain vested, and any future MPI IAP benefits you earn are fully vested.

If you have any questions regarding your pension or annuity benefits, you may call the MPIPP Plan office nearest you.

I. MPIPP BENEFITS

1. Amendment to Benefit Formula.

Effective December 31, 2004, you stopped earning benefits under the 161 Pension Plan rules. Your 161 Pension Plan benefit is limited to your pension credits and benefit earned as of December 31, 2004. The 161 Pension Plan normal retirement benefit earned on December 31, 2004 is called the “161 Pension Plan Accrual” and is described in Part I.2 below. Your vested 161 Pension Plan Accrual will not be taken away from you; you will

be entitled to it when you ultimately retire under the terms of the MPIPP. Except for any applicable benefit increases that have been or may in the future be adopted for actives or retirees under MPIPP rules, your 161 Plan Accrual will be frozen as of December 31, 2004. Please see the main Pension SPD for more information.

Effective January 1, 2005, if you work in Covered Employment, you started earning benefits under the MPIPP formula. Any benefit you earn under the MPIPP rules on or after January 1, 2005 is called the “Future Benefit.” Part I.3 describes the Future Benefit.

You will only earn a Future Benefit if you work in Covered Employment. **Covered Employment generally means work under a Local 161 collective bargaining agreement in the motion picture industry in New York, New Jersey or Connecticut.** In general, you also work in Covered Employment if you are hired in New York, New Jersey or Connecticut to work in certain other states covered by the Local 161 collective bargaining agreement. Otherwise, if you work under the Local 161 collective bargaining agreements outside of New York, New Jersey and Connecticut,¹ you will not earn benefits under the MPIPP or MPI IAP. In that case, you may be eligible to earn benefits under the I.A.T.S.E. National Pension Fund, Plan C and I.A.T.S.E. Annuity Plan.



Local 161 Pension Fund Merger Transition Rules, Cont'd.

When you retire, your MPIPP benefit will be the sum of the 161 Pension Plan Accrual (earned as of December 31, 2004) plus any Future Benefit you earn after that date.

The 161 Pension Plan Accrual will be available under the normal and early retirement rules of the 161 Pension Plan – if you are vested, you may retire at age 60 or retire early at age 57. Future Benefits will not be available until age 65, unless you satisfy the MPIPP early retirement rules, in which case the MPIPP early retirement factors apply. In addition, if (1) on January 1, 2005, you were both 55 or older and had 15 or more pension credits, and (2) you later retire on or after age 60, then you may receive both your 161 Pension Plan Accrual and your Future Benefit accrual on an unreduced basis. See Part I.5 for more information about retirement.

Part I.6 describes more information as to how the “Other Rules” work.

2. The 161 Pension Plan Benefit Formula

The 161 Pension Plan benefit was generally equal to the number of your pension credits after January 1, 1959 multiplied by the applicable monthly benefit accrual rate. The accrual rate as of December 31, 2004 was \$80. The \$80 rate does not apply unless you retire on or after January 1, 2001 with at least two quarters of future service credit on or after January 1, 2000 and before December 31, 2004. Otherwise a lower rate will apply, depending on your retirement date and when you last had two quarters of future service. For active Participants without a break in service, the Local 161 Plan accrued benefit was increased by 15% effective August 1, 2003 and an additional 10% effective August 1, 2006.

Participants were credited with pension credit for a calendar year if they had 70 days of service for that year under the 161 Pension Plan. If the Participant worked less than 70 days, partial credit was granted, in accordance with the following schedule (referred to as Partial Credit rules):

Days in Covered Employment for a calendar year	Pension Credits
53-69	.75
35-52	.50
19-34	.25
Less than 19	None

Vested participants can retire at age 60 without an early retirement reduction.

1. In this case, you may be eligible to participate in the MPI Plans instead of the IATSE National Plans if you qualify under the MPI “home plan” rules. You should contact your Local 161 representative for details.



3. MPIPP Benefit Formula.

The benefit formula under the MPIPP is different from the formula under the 161 Pension Plan. The benefit under MPIPP is not based on pension credits. Instead, it is based on Credited Hours — these are generally hours for which contributions are required by MPIPP and the applicable collective bargaining agreements, that is, generally Covered Employment. Contributions are normally owed for all hours worked or guaranteed in Covered Employment. In general, to earn benefits, you must earn a Qualified Year, which is 400 Credited Hours during a Computation Year. In addition, normal retirement under MPIPP is generally at age 65.

The current benefit formula is:

- The monthly benefit rate for the first 10 Qualified Years is \$.03729 per Credited Hour. For example, 2000 Credited Hours in your seventh Qualified Year will earn a benefit of \$74.58 per month payable at Normal Retirement Age.
- The monthly benefit rate after the tenth Qualified Year is \$.04972 per Credited Hour. For example, 2000 Credited Hours in your eleventh Qualified Year will earn a benefit of \$99.44 per month payable at Normal Retirement Age.

- After the twentieth Qualified Year, the 400 Credited Hours requirement will not apply. You will earn benefits even if you accumulate less than 400 Credited Hours in a Computation Year at a monthly benefit rate of \$.04972 per Credited Hour. For example, 100 Credited Hours in your 23rd year will earn a benefit of \$4.97 per month payable at Normal Retirement Age.

If you continue to work in Covered Employment, you will start earning benefits under this formula on January 1, 2005 for hours earned on and after that date. This Future Benefit is in addition to your 161 Pension Plan Accrual. Your 161 Pension Plan credits will count for determining the rate of Future Benefits you earned (\$.03729 versus \$.04972 per Credited Hour).² As described above, the benefit rate under MPIPP differs depending on whether you have 11 or more Qualified Years. Thus, if the sum of your Qualified Years (see Part I.6(c)) after the merger is more than 10, you will start accruing Future Benefits at the higher benefit rate.

The rates described above do not apply to hours before a break in service as described in the MPIPP SPD. Instead, the rate in effect at the time you had a break in service applies to hours before the break. Unlike the 161 Pension Plan, the MPIPP does not allow you to repair a break in service. See Part I.6(g) for more information.

2. While the credit or service you earned under the 161 Pension Plan before the merger will count for determining the rate of the Future Benefits you earn (and, as described in this Notice, for a variety of other purposes), you will not be given any Future Benefits for this service. For example, assume you had 10 Pension Credits and 1500 credited days of service under the 161 Pension Plan as of December 31, 2004. You will keep your 161 Pension Plan Accrual for the 10 years of pension credit, but you will not receive any Future Benefit with respect to these 10 years. However, your Future Benefit for work after the merger will be earned at the rate applicable for 11 or more Qualified Years, since the 161 Pension Plan Service is counted for this purpose.



Local 161 Pension Fund Merger Transition Rules, Cont'd.

4. Comparison of Formulas.

To better understand the different formulas, the table below shows the benefits earned in a single year of work under the old 161 Pension Plan formula and the MPIPP formula, depending upon the number of hours worked and your number of years. These tables assume all of your work under

the Local 161 agreements is Covered Employment. Different MPIPP amounts are shown depending on how many years you have, since the benefit rate differs. The amounts shown below are the monthly benefit payable to you at age 65 in the form of a single life annuity.

**Monthly Benefit Payable at Age 65
Based on One Year of Covered Employment**

Credited Hours in a Year (assuming 12-Hour Days)	Monthly Local 161 Pension Plan Accrual	Monthly MPIPP Future Benefit (1st thru 10th Qualified Years)	Monthly MPIPP Future Benefit (11th thru 20th Qualified Year)
2,400	\$80.00	\$89.50	\$119.33
2,200	\$80.00	\$82.04	\$109.38
2,000	\$80.00	\$74.58	\$99.44
1,800	\$80.00	\$67.12	\$89.50
1,290	\$80.00	\$48.10	\$64.14
870	\$80.00	\$32.44	\$43.26
730	\$60.00	\$27.22	\$36.30
590	\$40.00	\$22.00	\$29.33
450	\$40.00	\$16.78	\$22.37
360	\$20.00	\$0	\$0 (11th-20th year) \$17.90 (after 20 years)
228	\$20.00	\$0	\$0 (11th-20th year) \$11.34 (after 20 years)



Local 161 Pension Fund Merger Transition Rules, Cont'd.

5. Early Retirement Rules

The early retirement rules under the 161 Pension Plan continue to apply to your 161 Pension Plan Accrual. Under these rules, you can retire at age 57 as long as you have 5 pension credits (service under the MPIPP counts for this purpose – see Part I.6(c)). The early retirement benefit is reduced by 6% for each year (1/2 of 1% per month) you are younger than age 60 at your retirement date. It is possible to retire early with regard to your 161 Pension Plan Accrual and not your Future Benefit.

In general, the early retirement provisions in MPIPP will apply only to your Future Benefit. Under these rules, you can retire at age 55 as long as you have 20 Qualified Years. You can retire at age 62 as long as you have 10 Qualified Years. (See Reduced Early Retirement Benefit Factors in the chart below.)

To better understand the factors, the table below shows the reduction depending on your age at retirement, assuming you were otherwise entitled to \$100/month at age 65 and you have the appropriate number of years.

Retirement Age	Local 161 Benefit	MPIPP Reduced Early Retirement Benefit Factors	MPIPP Benefit (20 or more Qualified Years if under age 62; 10 years if 62 or older)	MPIPP Benefit (30 or more Qualified Years and 60,000 Credited Hours)
65	\$100	100%	\$100	\$100
64	\$100	92.5%	\$92.50	\$100
63	\$100	86%	\$86.00	\$100
62	\$100	80%	\$80.00	\$100
61	\$100	74.5%	\$74.50	\$100
60	\$100	69%	\$69.00	\$100
59	\$94	64%	\$64.00	\$92.80
58	\$88	59.5%	\$59.50	\$86.20
57	\$82	55.5%	\$55.50	\$80.40
56	Not permitted	52%	\$52.00	\$75.40
55	Not permitted	49%	\$49.00	\$71.00



Local 161 Pension Fund Merger Transition Rules, Cont'd.

There are two exceptions to these rules. First, if you qualify for an unreduced early retirement benefit under MPIPP, you will be entitled to both your 161 Pension Plan Accrual and Future Benefit unreduced for early retirement. This requires at least 30 Qualified Years and attainment of age 62 with 50,000 credited hours (or age 61 with 55,000 credited hours, or age 60 with 60,000 credited hours.)

Second, if on January 1, 2005, you had at least 15 years of pension credit under the 161 Pension Plan **and** had attained age 55, you can receive both your 161 Pension Plan Accrual and Future Benefit unreduced for early retirement at age 60.

6. Other Rules

There are a number of additional rules to coordinate the 161 Pension Plan Accrual and Future Benefit.

(a) Forms of Benefits

When you retire, you can elect to receive your 161 Pension Plan Accrual in one of the forms available under the 161 Pension Plan. These forms are a Husband and Wife Pension (this provides a 50% survivor annuity to your spouse at the time of retirement) and a life annuity option (with a 60 month guaranty). These are described in more detail in the 161 Pension Plan SPD. If the Husband and Wife benefit is payable, the benefit shall be reduced in accordance with the factors set forth in the 161 Pension Plan. In addition, the requirement that you be married for one year in order to receive the Husband and Wife Pension under the 161 Pension Plan does not apply to retirements after December 31, 2004.

The forms of benefit available under the MPIPP will apply only with respect to your Future Benefit. The forms of benefit under the MPIPP are a life annuity, a qualified joint & 50% survivor annuity, a

joint and 100% survivor annuity, a joint & 50% pop-up annuity, a joint & 100% pop-up annuity, and a 10-year certain and life annuity. In general, the only beneficiary allowed under any of these forms is your spouse, except that under the 10-year certain and life annuity, you may elect to have either your spouse or children as beneficiary. For participants retiring in 2009 and thereafter, the qualified joint & 75% survivor annuity form of benefit is available with respect to both the Local 161 Pension Plan Accrual and the Future Benefit. These rules are described more completely in the MPIPP Summary.

(b) Vesting and Vesting Years

In general, a five-year cliff vesting schedule will apply for both your 161 Pension Plan Accrual and your Future Benefit. However, if you do not have any hours after 1997, the prior 10-year vesting schedule will continue to apply to your 161 Pension Plan benefits.

For vesting purposes, you will receive credit for your prior vesting service under the 161 Pension Plan (currently, 70 days in a calendar year). In general, your vested years as of December 31, 2004 are the greater of (1) the actual nonforfeited pension credits you earned under the 161 Pension Plan or (2) the number of Computation Years in which you had 400 or more hours in the 161 Pension Plan (excluding years forfeited if the MPIPP forfeiture rules had applied). For this purpose, you will be credited with 12 hours for each non-forfeited day of credited service under the 161 Pension Plan. You will also receive credit for your vesting years earned under MPIPP after 2004.

(c) Qualified Years

For most purposes, such as eligibility for early retirement under MPIPP and eligibility for disability under MPIPP, you receive credit for your prior service under the 161



Local 161 Pension Fund Merger Transition Rules, Cont'd.

Pension Plan. (However, you will not receive any Future Benefit with respect to the credit or service you earned under the 161 Pension Plan.) In general, your Qualified Years as of December 31, 2004 are the greater of (1) the actual pension credits you earned under the 161 Pension Plan as of that date (for this purpose, the Partial Credit rules will apply) or (2) the number of Computation Years in which you had 400 or more hours in the 161 Pension Plan (excluding years forfeited if the MPIPP forfeiture rules had applied). For this purpose, you were credited with 12 hours for each non-forfeited day of credited service under the 161 Pension Plan. You will also receive credit for your Qualified Years earned under MPIPP after 2004.

While these rules apply for purposes of determining whether you can retire early under MPIPP rules, they do not apply for purposes of determining whether you can retire early under 161 Pension Plan rules. (See Section 5.)

(d) Disability Benefits

The 161 Pension Plan did not provide for a disability pension. However, MPIPP does provide a disability pension. In order to receive a disability benefit after December 31, 2004, you will need to qualify under the MPIPP rules. If you qualify, both the Future Benefit and 161 Pension Plan Accrual will be paid to you in accordance with these rules. If the earliest possible disability pension date is before 2005, you will not be entitled to a disability pension.

(e) Pre-retirement Death Benefits

In general, the MPIPP pre-retirement death benefit rules will apply to both your 161 Pension Plan Accrual and your Future Benefit. Under these rules, if you are vested and have a legal spouse to whom you have been married for at least one year prior to your death (prior to retirement), your spouse is entitled to a Surviving Spouse Benefit. This benefit is an annuity equal to the survivor portion of your pension if paid in the form of a joint and 50%

survivor benefit (beginning when you would have reached retirement age, or death if later). Your spouse may elect a lump sum instead.

In all other cases, MPIPP does not provide a pre-retirement death benefit. However, in this case, your beneficiary is entitled to a death benefit based on the prior 161 Pension Plan rules and your service up until the merger. Specifically, as long as you had at least $\frac{1}{4}$ year of pension credits under the 161 Pension Plan as of December 31, 2004, your beneficiary is entitled to a lump sum equal to \$250 multiplied by your pension credits (ignoring past service credit) under the 161 Pension Plan as of December 31, 2004, but not less than \$1,000 or more than \$5,000. Service after the merger is not counted for this purpose.

(f) Benefit Suspension and Late Retirement Rules

The 161 Pension Plan and MPIPP both suspend benefits if you retire and come back to work. On or after January 1, 2005, the MPIPP rules apply to the 161 Pension Plan Accrual and Future Benefit. These MPIPP rules will also apply to 161 Pension Plan members who previously retired.

The late retirement rules of the 161 Pension Plan will continue to apply to the 161 Pension Plan Accrual, but not the Future Benefit. The late retirement rules in the MPIPP apply to the Future Benefit.

(g) Break in Service Rules

Both the 161 Pension Plan and MPIPP have break in service rules. These rules apply for at least two purposes in MPIPP: (1) generally, you are not entitled to any possible benefit increase for service prior to a break, and (2) determining whether your prior service is forfeited if you leave employment before you are vested.

Any service forfeited prior to the merger under the 161 Pension Plan rules will remain forfeited after the merger. To determine if you have a break after the merger, the MPIPP rules



Local 161 Pension Fund Merger Transition Rules, Cont'd.

will go into effect and will apply to both your 161 Pension Plan Accrual and Future Benefit. In general, you will incur a break in service under the MPIPP rules if you have a period of two consecutive years with less than 200 vested hours in each year. (See the MPIPP SPD for more information regarding the various Break in Service rules.) Your service under the 161 Pension Plan prior to the merger will be considered for this purpose to determine if you have a break.

Thus, if you are not vested and have a forfeiture after the merger under the MPIPP rules, you will forfeit both your 161 Pension Plan Accrual and the Future Benefit you earned up until the forfeiture. If you had a forfeiture under the 161 Pension Plan before the merger, the amount earned before the break remains forfeited.

The 161 Pension Plan generally provided that if you had at least two quarters of future service credit on or after January 1, 2000, you would be entitled to the \$80 benefit accrual rate. Similar rules do not apply under the MPIPP. Thus, service after January 1, 2005, is not counted for this purpose. In addition, if there are subsequent benefit increases made by plan amendments that apply to the 161 Pension Plan Accrual, and your benefit rate under the 161 Pension Plan was less than \$80 per month per year of service (because you did not earn at least 2 quarters of service from 2000 to 2004), you will not be entitled to any increase with respect to the 161 Pension Plan Accrual.

If you have a break in service under the MPIPP rules (after the merger), you will not be entitled to any active benefit increases with respect to the 161 Pension Plan Accrual or Future Benefit earned before the break (for this purpose, your service in 2004 will be treated as a year with fewer than 200 hours if you did not earn 17 credited days of service under the 161 Pension Plan).

(h) Other Rules

In general, all other rules of the MPIPP apply after December 31, 2004. For example, MPIPP requires you to give notice of retirement at least two complete calendar months in advance. The various election rules to elect a form of benefit under the MPIPP will also apply.

(i) Employees Who Participated in the 161 Pension Plan and MPIPP Prior to Merger

A number of special rules apply to you if you participated in both the MPIPP and the 161 Pension Plan prior to January 1, 2005. You retain all benefits you have earned under both plans as of January 1, 2005. Essentially, your benefits will be equal to the 161 Pension Plan Accrual you earned under the 161 Pension Plan prior to January 1, 2005 plus all of the benefits you earn under MPIPP both before and after the merger. You keep the benefit you earned under MPIPP prior to January 1, 2005; it is subject to all of the applicable MPIPP rules.

In addition, certain special rules will apply for purposes of calculating your service. In general, the rules in Section 5 and 6 (b) and (c) will apply; you will also be entitled to credit for your service under the MPIPP prior to the merger. However, you will not be entitled to duplicate service. For example, if you earned a qualified year in 1995 under the MPIPP, you will not be entitled to earn another qualified year under the 161 Pension Plan for 1995. (The same concept applies for vesting and early retirement.) In addition, your service under MPIPP and the 161 Pension Plan cannot be combined to determine if you have a vesting year, qualified year or pension credit. Other special rules apply.

7. Loan-Outs/Employee Shareholders

The MPIPP and MPI IAP do not permit Loan-Out Companies, defined as a company controlled by the loaned out employee, who is the only employee of the company performing work in the Industry, to contribute to the MPIPP or MPI IAP. If such an



Local 161 Pension Fund Merger Transition Rules, Cont'd.

employee is loaned out to a borrowing Employer that participates in the plans, the borrowing employer may be required to contribute. In addition, if an employee is an officer, shareholder or member (or a spouse of such a person) of a company that is not a Loan-Out Company, then special rules apply regarding the amount of contributions that are required. If you fall into either of these categories, please contact the MPIPP for further information.

II. YOUR MPI IAP BENEFITS

The enclosed SPD for the MPIPP also contains a summary for the Motion Picture Industry Individual Account Plan (the "MPI IAP"). Beginning January 1, 2005, you are eligible to participate in the MPI IAP. These rules are described briefly below.

1. Prior Account Balance

Your account balance under the Local 161, I.A.T.S.E. Annuity Plan (the "161 Annuity Plan") will be adjusted for any earnings/losses under the 161 Annuity Plan for the 2004 year. Your December 31, 2004 account balance under the 161 Annuity Plan is now your Special Account under MPI IAP. The Special Account is 100% vested and cannot be taken away from you. Your Special Account will be credited with gains and losses on that account balance in accordance with the MPI IAP rules for allocating gains and losses.

In general, you may withdraw your Special Account in accordance with the distribution rules applicable under the 161 Annuity Plan. Thus, you can withdraw the funds when you attain age 57, or the fifth anniversary of your commencement of participation, if later. Prior to that time, you may withdraw the Special Account if you have no covered employment for at least six months (distributions will not be made until the MPI IAP verifies this, and no distribution is made if MPI IAP learns you are working during the period it is

verifying this). However, because financial hardship withdrawals are not permitted under MPI IAP, they will not be permitted from Special Accounts.

You may elect to receive your Special Account in the form of a life annuity, Qualified Joint and 50% Survivor Annuity, Joint and 75% Survivor Annuity, or lump sum. Combination lump sum/annuities, installments, and annuities with refund features are no longer available after March 31, 2005. Of course, you may still elect to roll a lump sum over to another plan or IRA that will accept it.

2. Future Contributions and Allocations

Effective January 1, 2005, you started earning benefits under the rules of the MPI IAP for Covered Employment, as defined on page 3 of this notice. Under these rules, if you earn 400 Credited Hours in a Computation Year,³ you will receive an allocation under the MPI IAP of contributions made on your behalf.⁴ All such contributions will be credited to your Individual Account. Your Individual Account is separate from your Special Account, and different distribution rules apply.

In general, your employer is required to contribute \$0.305 for each hour of Covered Employment worked or guaranteed as well as 6% of your scale regular basic hourly rate of pay (6% subject to possible reallocation of 1% to the Health Plan).⁵ This amount is invested by a number of professional investment advisors and the earnings (or losses) on these amounts are also allocated to your Individual Account. (As noted above, earnings (and losses) on your Special Account balance will also be allocated to your Individual Account.)

You may take your Individual Account in a lump sum or annuity when you retire from the MPI IAP, based on the MPI IAP distribution rules as set forth in the enclosed Summary. For most purposes under the MPI IAP, such as determining eligibility

3. 870 hours are required if you have previously received a MPI IAP distribution; distributions from the 161 Annuity Fund or from your Special Account will not trigger this 870 hour rule.

4. If you do not earn a Qualified Year, no allocation will be made.

5. If you work under a different collective bargaining agreement, a different percentage of compensation may apply.



Local 161 Pension Fund Merger Transition Rules, Cont'd.

for early retirement and eligibility for disability, you will receive credit for your service under the 161 Pension Plan prior to January 1, 2005. However, to the extent the MPI IAP provides any actual allocations of contributions based on prior service, your prior service will not count.

3. Vesting

In general, you are always 100% vested in your Special and Individual Accounts. There is one exception. If you participated in MPI IAP prior to the merger, and you were not vested in MPI IAP, your Individual Account will not vest automatically. You will only vest if you meet the MPI IAP vesting rules (generally, one Qualified Year after 1999, or five Vesting Years, and at least one Credited Hour after August 1, 2000). For this purpose, your service under the 161 Pension Plan will count toward MPI IAP vesting credit under the same rules as apply to the MPIPP (as described in Part 6(b) and (i)).

4. Other Rules

In general, all other rules of the MPI IAP apply after December 31, 2004. For example, pre-retirement death benefit and disability rules of MPI IAP apply to your Special Account after the merger. In addition, MPI IAP requires you to give notice of retirement at least two complete calendar months in advance. The various election rules to elect a form of benefit under the MPIPP will also apply.

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